JOURNAL

OF THE

SENATE

STATE OF MINNESOTA

SEVENTY-THIRD LEGISLATURE

1984

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Introduction

The 1984 Session of the Seventy-third Legislature continued with the same leadership as the 1983 Session.

Senator Roger D. Moe, Ada, continued as Senate Majority Leader and Chairman of the Committee on Rules and Administration.

Senator James Ulland, Duluth, continued as Senate Minority Leader.

Senator Jerome M. Hughes, Maplewood, continued as President of the Senate.

The political makeup of the 1984 Senate, Seventy-Third Legislature, remained 42 DFL-ers and 25 Independent-Republications.

This was the shortest Session in an even-numbered year since the adoption in 1972 of the Flexible Session amendment to the Minnesota Constitution.

Members of the Senate

Adkins, Betty A. (DFL)* Anderson, Don A. (IR)** Belanger, William V., Jr. (IR) Benson, Duane D. (IR) Berg, Charles A. (IR) Berglin, Linda (DFL) Bernhagen, John (IR) Bertram, Joe (DFL) Brataas, Nancy (IR) Chmielewski, Florian (DFL) Dahl, Gregory L. (DFL) Davis, Charles R. (DFL) DeCramer, Gary M. (DFL) Dicklich, Ronald R. (DFL) Diessner, A.W. "Bill" (DFL) Dieterich, Neil (DFL) Frank, Don (DFL) Frederick, Mel (IR) Frederickson, Dennis R. (IR) Freeman, Michael O. (DFL) Hughes, Jerome M. (DFL) Isackson, Doran L. (IR) Johnson, Dean E. (IR) Johnson, Douglas J. (DFL) Jude, Tad (DFL) Kamrath, Randy P. (IR) Knaak, Fritz (IR) Knutson, Howard A. (IR) Kroening, Carl W. (DFL) Kronebusch, Patricia Louise (IR) Laidig, Gary W. (IR) Langseth, Keith (DFL) Lantry, Marilyn M. (DFL) Lessard, Bob (DFL)

Luther, William P. (DFL) McQuaid, Phyllis W. (IR) Mehrkens, Lyle G. (IR) Merriam, Gene (DFL) Moe, Donald M. (DFL) Moe, Roger D. (DFL) Nelson, Tom A. (DFL) Novak, Steven G. (DFL) Olson, Gen (IR) Pehler, James C. (DFL) Peterson, Collin C. (DFL) Peterson, Darrel L. (IR) Peterson, Donna C. (DFL) Peterson, Randolph W. (DFL) Petty, Eric D. (DFL) Pogemiller, Lawrence J. (DFL) Purfeerst, Clarence M. (DFL) Ramstad, Jim (IR) Reichgott, Ember D. (DFL) Renneke, Earl W. (IR) Samuelson, Don (DFL) Schmitz, Robert J. (DFL) Sieloff, Ron (IR) Solon, Sam G. (DFL) Spear, Allan H. (DFL) Storm, Donald A. (IR) Stumpf, LeRoy A. (DFL) Taylor, Glen (IR) Ulland, James (IR) Vega, Conrad M. (DFL) Waldorf, Gene (DFL) Wegscheid, Darril (DFL)

Willet, Gerald L. (DFL)

Senate Leaders

Roger D. Moe Majo	rity Leader
William P. Luther Assistant Majo	
Gregory L. Dahl Maj	ority Whip
Marilyn M. Lantry	jority Whip
Tom A. Nelson Maj	
James Ulland Mino	rity Leader
Nancy Brataas Assistant Mino	
Darrel L. Peterson Assistant Mino	rity Leader
Jim Ramstad Assistant Mino	rity Leader
Ron Sieloff Assistant Mino	rity Leader
Glen Taylor Assistant Mino	rity Leader

^{*}DFL—Democratic-Farmer-Labor

^{**}IR-Independent Republican

Officers of the Senate

Jerome M. Hughes President of the Senate
Patrick E. Flahaven Secretary of the Senate
Janine Mattson First Assistant Secretary
Patrice Dworak Second Assistant Secretary
Marvin F. Raiola Sergeant at Arms
Ralph C. Graham Assistant Sergeant at Arms
Kay Ganje Engrossing Secretary
Catherine Morrison Hayes Engrossing and Appointments Clerk
Sister Michelle McGurran Chaplain
Desk Assistants to the Secretary of the Senate:
Colleen J. Barry Third Assistant Secretary
Scott Magnuson Fourth Assistant Secretary

SIXTY-FIRST DAY

St. Paul, Minnesota, Tuesday, March 6, 1984

The Senate met at 12:00 noon and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Arnold H. Heumann.

The roll was called, and the following Senators answered to their names:

Adkins	Dicklich	Knaak	Moe, R.D.	Samuelson
Anderson	Diessner	Knutson	Nelson	Schmitz
Belanger	Dieterich	Kroening	Novak	Sieloff
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, D.L.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, D.M.	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Peterson, R.W. and Ramstad were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

June 14, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Senator Hughes:

Please be advised that I am vetoing S.F. No. 510.

This bill relates to the imposition of rent controls on residential properties in Minnesota. It would prohibit any local government unit from imposing such controls, whether by ordinance "or otherwise". I interpret this language as prohibiting rent controls by a referendum of the residents of a com-

munity.

My disagreement with the bill stems from the method selected by the Legislature to accomplish the avoidance of rent controls. I believe that it is wholly inappropriate for the Legislature to impose its belief on this issue upon municipalities through an outright ban on local action.

I have made a commitment that my administration will do what it can to eliminate unnecessary state-imposed mandates on local governments. If our local government units are to fulfill their duty to local residents, they must have the tools to implement local desires. The ban proposed by this bill is contrary to this basic philosophy.

Before this bill passed, I expressed my reservations to the chief authors. I recommended that referenda imposing rent controls be permitted, but the authors rejected this solution. I stand ready to work with the authors over the interim to explore alternative ways by which rent control can be discouraged.

Sincerely,

Rudy Perpich, Governor

Mr. Moe, R.D. moved that S.F. No. 510 and the veto message thereon be laid on the table. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 559, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 559: A bill for an act relating to courts; providing for interest rates on judgments; amending Minnesota Statutes 1982, section 549.09, subdivision 1

House File No. 559 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 23, 1983

Mr. Luther moved that H.F. No. 559 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate proceed to the Order of Business of Introductions and First Reading of Senate Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Purfeerst, Pehler, Davis, Bernhagen and Schmitz introduced-

S.F. No. 1322: A bill for an act relating to crimes; providing that a munici-

pality or county shall not ban the ownership of guns; proposing new law coded in Minnesota Statutes, chapter 624.

Referred to the Committee on Judiciary.

Messrs. Petty, Solon, Ms. Peterson, D.C. and Mr. Dahl introduced-

S.F. No. 1323: A bill for an act relating to real estate; providing for the regulation of real estate loan brokers; giving certain powers and duties to the commissioner of commerce; defining terms; providing for rulemaking; amending Minnesota Statutes 1982, section 82.17, subdivisions 4, 7, and 8, and by adding a subdivision; 82.24, subdivision 7; 82.29; and 82.30, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 82.

Referred to the Committee on Economic Development and Commerce.

Messrs. Vega and Merriam introduced-

S.F. No. 1324: A bill for an act relating to taxation; imposing a severance tax on peat; proposing new law coded in Minnesota Statutes, chapter 298.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laidig, Mmes. McQuaid and Kronebusch introduced-

S.F. No. 1325: A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Knutson introduced-

S.F. No. 1326: A bill for an act relating to economic development; removing the preference for Minnesota residents in the awarding of public contracts; removing the preference for Minnesota labor and materials; repealing Laws 1983, chapter 336.

Referred to the Committee on Economic Development and Commerce.

Mr. Pogemiller introduced—

S.F. No. 1327: A bill for an act relating to game and fish; authorizing the furnishing of tagged game fish to municipalities or nonprofit organizations; amending Minnesota Statutes 1982, section 97.48, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Belanger introduced-

S.F. No. 1328: A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Referred to the Committee on Veterans and General Legislation.

Mr. Belanger introduced-

S.F. No. 1329: A bill for an act relating to forcible entry and unlawful detainer; providing for the assessment of punitive damages and attorney's fees against a landlord for bad faith commencement of an action for recovery of possession; proposing new law coded in Minnesota Statutes, chapter 566.

Referred to the Committee on Judiciary.

Mr. Belanger introduced-

S.F. No. 1330: A bill for an act relating to landlords and tenants; providing for recovery by the tenant from the landlord of damages and attorney's fees for unlawful ouster or exclusion; proposing new law coded in Minnesota Statutes, chapter 504.

Referred to the Committee on Judiciary.

Mr. Taylor introduced-

S.F. No. 1331: A bill for an act relating to transportation; designating a bridge as the "Veterans Memorial Bridge"; amending Minnesota Statutes 1982, section 161.14, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Wegscheid and Vega introduced-

S.F. No. 1332: A bill for an act relating to Independent School District No. 196; authorizing it to establish and operate a nonprofit corporation for the benefit of students; requiring local approval.

Referred to the Committee on Education.

Mr. Benson introduced-

S.F. No. 1333: A bill for an act relating to education; increasing the weighting of kindergarten pupil units for those attending full day programs; amending Minnesota Statutes 1982, section 124.17, subdivision 1.

Referred to the Committee on Education.

Mr. Belanger introduced-

S.F. No. 1334: A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Pogemiller introduced-

S.F. No. 1335: A bill for an act relating to evidence; providing for admission into evidence of certain convictions for driving while under the influence of alcohol or a controlled substance; proposing new law coded in Minnesota Statutes, chapter 634.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced-

S.F. No. 1336: A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; authorizing chemical testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; amending Minnesota Statutes 1982, section 169.123, subdivisions 2, as amended; 5a; 6, as amended; and by adding a subdivision.

Referred to the Committee on Judiciary.

Ms. Berglin introduced-

S.F. No. 1337: A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 1338: A bill for an act relating to taxation; reducing the minimum township mill rate required to qualify for local government aid distribution; amending Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Stumpf introduced-

S.F. No. 1339: A bill for an act relating to taxation; reinstating the previous definition of wetlands for purposes of the wetlands credit; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Purfeerst introduced—

S.F. No. 1340: A bill for an act relating to transportation; accelerating the phased transfer of the motor vehicle excise tax from the general fund to the highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Referred to the Committee on Transportation.

Mr. Diessner introduced—

S.F. No. 1341: A bill for an act relating to crimes; creating and defining the guilty and insane plea; abolishing the insanity defense; providing procedures governing the use of the guilty and insane plea; providing for examination of persons pleading guilty and insane; providing sentencing and treatment for persons found guilty and insane; authorizing the supreme court to promulgate or amend rules consistent with law; amending Minnesota Statutes 1982,

section 480.059, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 253B.02, subdivision 4; 253B.07, subdivisions 1, 2, 3, and 7; 253B.08, subdivision 7; 253B.12, subdivision 4; 253B.18, subdivision 1; and 253B.21, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1982, sections 611.025; 611.026; Minnesota Statutes 1983 Supplement, sections 253B.02, subdivisions 4a and 20; and 253B.07, subdivision 2a.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 1342: A bill for an act relating to taxation; excluding debts owed for medical treatment from the Revenue Recapture Act; amending Minnesota Statutes 1982, section 270A.03, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Mr. Renneke introduced-

S.F. No. 1343: A bill for an act relating to data privacy; classifying the number of sealed bids received as nonpublic data; amending Minnesota Statutes 1982, section 13.37, subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Novak, Luther, Freeman, Wegscheid and Samuelson introduced—

S.F. No. 1344: A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Mr. Diessner introduced-

S.F. No. 1345: A bill for an act relating to alcoholic beverages; requiring driver's license revocation of any minor driving a motor vehicle while having any measurable concentration of alcohol; increasing the age for licensing, sale, purchase, consumption, possession, and furnishing of alcoholic beverages; amending Minnesota Statutes 1982, sections 169.123, subdivisions 4 and 5a; and subdivision 6, as amended; 340.02, subdivision 8; 340.035, subdivision 1; 340.039; 340.119, subdivision 2; 340.13, subdivision 12; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced--

S.F. No. 1346: A bill for an act relating to insurance; authorizing the commissioner of public safety to issue a limited license to persons whose licenses have been revoked for failure to provide security required by the No-fault Automobile Insurance Act; amending Minnesota Statutes 1982, section 65B.67, by adding a subdivision.

Referred to the Committee on Economic Development and Commerce.

Mr. Chmielewski introduced-

S.F. No. 1347: A bill for an act relating to the Minnesota Constitution; submitting to the electors the question of calling a constitutional convention to revise the constitution as it relates to the size and structure of the legislature; establishing a constitutional study commission; and providing for the powers and duties of the commission.

Referred to the Committee on Elections and Ethics. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Berglin introduced-

S.F. No. 1348: A bill for an act relating to state departments and agencies; establishing additional complaint procedures for health-related licensing boards; amending Minnesota Statutes 1982, section 214.10, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Spear introduced—

S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, sections 340.601; and 340.81; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; and 340.78.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Spear and Ms. Reichgott introduced-

S.F. No. 1350: A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Peterson, C.C. introduced-

S.F. No. 1351: A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 1352: A bill for an act relating to Independent School District No.

627, Oklee; authorizing a transfer of \$50,000 from the bus purchase account to the general fund; requiring local approval.

Referred to the Committee on Education.

Messrs. Dahl, Willet, Mrs. Lantry and Mr. Ramstad introduced—

S.F. No. 1353: A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Referred to the Committee on Finance.

Messrs. Spear; Pogemiller; Knaak; Peterson, R.W. and Ms. Reichgott introduced—

S.F. No. 1354: A bill for an act relating to crimes; providing for the manner of modifying sentencing guidelines; amending Minnesota Statutes 1982, section 244.09, subdivisions 5, 11, as amended, and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Peterson, C.C. and Merriam introduced-

S.F. No. 1355: A bill for an act relating to crimes; including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws; amending Minnesota Statutes 1982, section 65B.605, subdivision 2, and 609.487, subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Purfeerst, Berg and Pehler introduced-

S.F. No. 1356: A bill for an act relating to taxation; income; reinstating pollution control and feedlot pollution control credits; amending Minnesota Statutes 1982, section 290.06, by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davis introduced--

S.F. No. 1357: A bill for an act relating to the town of Blue Hill; allowing the town to exercise certain powers.

Referred to the Committee on Local and Urban Government.

Mr. Chmielewski introduced-

S.F. No. 1358: A bill for an act relating to public welfare; establishing and empowering a board for the blind; transferring certain powers and duties of the commissioner of public welfare to the board; appropriating money; proposing new law coded in Minnesota Statutes, chapter 248; repealing Minnesota Statutes 1982, sections 248.07; and 248.08.

Referred to the Committee on Health and Human Services.

Mr. Chmielewski introduced-

S.F. No. 1359: A bill for an act relating to public safety; prohibiting the department from disclosing certain driver's license information; amending Minnesota Statutes 1982, section 171.12, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Renneke introduced-

S.F. No. 1360: A bill for an act relating to taxation; providing for the imposition of an aggregate material tax in Sibley County; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, D.L. introduced-

S.F. No. 1361: A bill for an act relating to occupations and professions; regulating the application by nonresident auctioneers for Minnesota auctioneers' licenses; amending Minnesota Statutes 1982, section 330.11.

Referred to the Committee on Economic Development and Commerce.

Mr. Laidig introduced—

S.F. No. 1362: A bill for an act relating to crimes; providing that no modification of the sentencing guidelines will go into effect unless approved by the legislature; amending Minnesota Statutes 1982, section 244.09, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 244.

Referred to the Committee on Judiciary.

Mr. Schmitz introduced-

S.F. No. 1363: A bill for an act relating to claims against the state; providing for payment of a claim; appropriating money.

Referred to the Committee on Finance.

Messrs. Peterson, C.C.; Pehler; Frederickson and Renneke introduced-

S.F. No. 1364: A bill for an act relating to retirement; including communication personnel in the state patrol retirement fund; amending Minnesota Statutes 1982, section 352B.01, subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Freeman; Peterson, R.W.; Knaak; Merriam and Sieloff introduced—

S.F. No. 1365: A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Luther; Moe, R.D.; Willet; Spear and Johnson, D.E. introduced-

S.F. No. 1366: A bill for an act relating to nonjudicial resolution of dis-

putes; establishing community dispute resolution centers; creating a board of community dispute resolution to disburse funds to centers; providing for referral of civil, juvenile, and criminal matters to centers; appropriating money; proposing new law coded in Minnesota Statutes, chapters 13 and 494.

Referred to the Committee on Judiciary.

Messrs. Schmitz, Freeman, Mrs. Lantry and Mr. Mehrkens introduced-

S.F. No. 1367: A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

Referred to the Committee on Transportation.

Mr. Pogemiller introduced-

S.F. No. 1368: A bill for an act relating to crimes; clarifying criminal penalties imposed on certain persons convicted of driving while intoxicated; amending Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.

Referred to the Committee on Judiciary.

Ms. Peterson, D.C.; Messrs. Spear and Pogemiller introduced-

S.F. No. 1369: A bill for an act relating to education; allowing financial aid after the time normally required to complete a bachelor's degree; amending Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 10.

Referred to the Committee on Education

Mr. Wegscheid introduced—

S.F. No. 1370: A bill for an act relating to outdoor recreation; repealing licensing requirements for cross country skiers; repealing Minnesota Statutes 1983 Supplement, sections 85.40; 85.41; 85.42; 85.43; 85.44; 85.45; and Laws 1983, chapter 325, section 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Lessard introduced-

S.F. No. 1371: A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Schmitz introduced—

S.F. No. 1372: A bill for an act relating to retirement; providing post-retirement annuity increases for certain retired public employees; proposing new law coded in Minnesota Statutes, chapter 356.

Referred to the Committee on Governmental Operations.

Messrs. Schmitz, DeCramer and Lessard introduced—

S.F. No. 1373: A bill for an act relating to veterans; clarifying eligibility for certain education benefits; amending Minnesota Statutes 1982, section 124.565, subdivision 7.

Referred to the Committee on Education.

Mr. Peterson, C.C. introduced-

S.F. No. 1374: A bill for an act relating to workers' compensation; authorizing the cities of Fergus Falls, Moorhead, and Detroit Lakes to form self-insurance pools.

Referred to the Committee on Employment.

Mr. Davis introduced—

S.F. No. 1375: A bill for an act relating to Independent School District No. 727, Big Lake; use of proceeds of sale of a school to buy or build classrooms; requiring local approval.

Referred to the Committee on Education.

Messrs, Davis, Merriam and DeCramer introduced-

S.F. No. 1376: A bill for an act relating to soil and water conservation; prohibiting in certain counties certain practices which cause accelerated erosion or sediment damage; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davis introduced—

S.F. No. 1377: A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davis introduced—

S.F. No. 1378: A bill for an act relating to Independent School District No. 726, Becker; authorizing the transfer of \$140,000 from the general fund to the capital expenditure fund to eliminate a deficit.

Referred to the Committee on Education.

Mr. Diessner introduced-

S.F. No. 1379: A bill for an act relating to education; requiring school boards to publish the amount paid to labor contract negotiators; amending Minnesota Statutes 1982, section 123.71, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 123.

Referred to the Committee on Education.

Mrs. Kronebusch introduced—

S.F. No. 1380: A bill for an act relating to natural resources; limiting the

amount payable upon acquisition of lands by the commissioner of natural resources; amending Minnesota Statutes 1982, section 84.0272.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Kronebusch introduced—

S.F. No. 1381: A bill for an act relating to game and fish; authorizing issuance of special deer permits to certain resident landowners or lessees; amending Minnesota Statutes 1982, section 98.48, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Langseth, Bertram, Stumpf and Benson introduced-

S.F. No. 1382: A bill for an act relating to taxation; sales; including replacement parts in the definition of farm machinery; amending Minnesota Statutes 1982, section 297A.01, subdivision 15.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced-

S.F. No. 1383: A bill for an act relating to capital improvements; terminating rehabilitation of the state office building; canceling the appropriation for it; reducing authorization for sale of state bonds; amending Laws 1983, chapter 344, section 15.

Referred to the Committee on Finance.

Ms. Berglin introduced—

S.F. No. 1384: A bill for an act relating to taxation; reinstating a provision of the Minneapolis rental registration law; amending Laws 1983, chapter 342, article 1, section 44.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benson introduced-

S.F. No. 1385: A bill for an act relating to natural resources; construction of the Outdoor Recreation Act of 1975; amending Minnesota Statutes 1982, section 86A.02, subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Lantry introduced—

S.F. No. 1386: A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

Referred to the Committee on Elections and Ethics.

Mrs. Lantry introduced—

S.F. No. 1387: A bill for an act relating to retirement; authorizing certain Ramsey county sheriff's department radio dispatchers to obtain additional

service credit in the public employees police and fire fund.

Referred to the Committee on Governmental Operations.

Mrs. Lantry introduced-

S.F. No. 1388: A bill for an act relating to the city of St. Paul; territorial restrictions on locations for the sale of alcoholic beverages; repealing Special Laws 1885, chapter 281, section 6.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Chmielewski and Lessard introduced-

S.F. No. 1389: A bill for an act relating to waste management; requiring the waste management board to report to the legislature of the need for a hazardous waste disposal or processing facility; creating a moratorium on board actions in the site selection process; proposing new law coded in Minnesota Statutes, chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Frank introduced-

S.F. No. 1390: A bill for an act relating to investments; legal investments for police and firefighter's relief associations; amending Minnesota Statutes 1982, section 69.775; and Minnesota Statutes 1983 Supplement, section 69.77, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr Frank introduced-

S.F. No. 1391: A bill for an act relating to unemployment compensation; providing that parents can be in employment when employed by their children; amending Minnesota Statutes 1983 Supplement, section 268.04, subdivision 12.

Referred to the Committee on Employment.

Mr. Benson introduced—

S.F. No. 1392: A bill for an act relating to agriculture; requiring commercial feed manufacturers to carry liability insurance; amending Minnesota Statutes 1982, section 25.34, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Storm, Schmitz, Belanger and Solon introduced-

S.F. No. 1393: A bill for an act relating to financial institutions; increasing additional detached facilities; increasing the distance between a main office and facilities; authorizing establishment of detached facilities in certain counties; amending Minnesota Statutes 1982, section 47.52.

Referred to the Committee on Economic Development and Commerce.

Mr. Storm introduced—

S.F. No. 1394: A bill for an act relating to economic development; providing limits on state and other public costs for the development of a world trade center.

Referred to the Committee on Economic Development and Commerce.

Mr. Samuelson introduced—

S.F. No. 1395: A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Bertram introduced-

S.F. No. 1396: A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

Referred to the Committee on Local and Urban Government.

Mr. Bertram introduced-

S.F. No. 1397: A bill for an act relating to crimes; traffic regulations; providing for misdemeanor penalties upon a nonparking, petty misdemeanor, traffic violation when the violation is preceded by two or more nonparking traffic violations of any severity within the preceding 12-month period; amending Minnesota Statutes 1982, section 169.89, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Bertram introduced-

S.F. No. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 9:00 p.m. and 9:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Referred to the Committee on Judiciary.

Mr. Lessard introduced-

S.F. No. 1399: A bill for an act relating to hazardous waste management; prohibiting the waste management board from evaluating the feasibility of bedrock disposal of hazardous waste; repealing Minnesota Statutes 1983 Supplement, section 115A.201.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Knutson introduced-

S.F. No. 1400: A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motorcycles under cer-

tain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Mr. Knutson introduced-

S.F. No. 1401: A bill for an act relating to labor; prohibiting persons from being drunk near labor disputes; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 179.

Referred to the Committee on Employment.

Mr. Knutson introduced—

S.F. No. 1402: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lessard, Chmielewski, Samuelson and Merriam introduced-

S.F. No. 1403: A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Nelson; Pehler; Peterson, R.W.; Peterson, D.L. and Merriam introduced—

S.F. No. 1404: A bill for an act relating to education; modifying certain erroneous and ambiguous education aid and levy provisions; amending Minnesota Statutes 1983 Supplement, sections 121.904, subdivision 4a; 124.195, subdivision 9; 124.201, subdivision 4; 124.2138, subdivision 1; 275.125, subdivisions 2e, 8, 8a, 9b; Laws 1983, chapter 314, article 6, section 34, subdivision 12, and article 9, section 14, subdivision 3.

Referred to the Committee on Education.

Mr. Samuelson introduced—

S.F. No. 1405: A bill for an act relating to health; limiting nonsubscriber fees of providers participating in service agreements with nonprofit health service plan corporations; proposing new law coded in Minnesota Statutes, chapter 62C.

Referred to the Committee on Health and Human Services.

Messrs, Davis, Merriam and Stumpf introduced—

S.F. No. 1406: A bill for an act relating to education; deleting the prohibition against rules requiring secondary vocational programs; clarifying some duties of the state boards of education, and vocational education; amending

Minnesota Statutes 1982, section 124.573, subdivision 3.

Referred to the Committee on Education.

Messrs. Davis, Merriam, Lessard, Willet and Wegscheid introduced-

S.F. No. 1407: A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Moe, D.M. and Wegscheid introduced-

S.F. No. 1408: A bill for an act relating to state departments and agencies; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16.02, subdivisions 18 and 24; 16.243, subdivision 1; 16.753, subdivision 5; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, sections 16.75, subdivision 7; and 176.011, subdivision 9.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, C.C.; Merriam and Dahl introduced—

S.F. No. 1409: A bill for an act relating to motor fuels; prohibiting lead compounds and EDB additives in gasoline; amending Minnesota Statutes 1982, section 296.05, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Isackson, Davis, Bertram, Berg and Frederickson introduced—

S.F. No. 1410: A bill for an act relating to taxation; including snow blowers in the definition of farm machinery for sales tax purposes; amending Minnesota Statutes 1982, section 297A.01, subdivision 15.

Referred to the Committee on Taxes and Tax Laws.

Mr. Frank introduced-

S.F. No. 1411: A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced-

S.F. No. 1412: A bill for an act relating to retirement; public employees police and fire fund; average salary computation; annuity formula increase; rule of 75; optional surviving spouse annuity; amending Minnesota Statutes 1982, sections 353.651, subdivisions 2 and 3, and by adding a subdivision; and 353.657, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Peterson, C.C. introduced-

S.F. No. 1413: A bill for an act relating to retirement; public employees police and fire fund; adding one trustee to the governing board; calculating annuities on a member's highest three successive years of service; amending Minnesota Statutes 1982, sections 353.03, subdivision 1; and 353.651, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Peterson, C.C. introduced-

S.F. No. 1414: A bill for an act relating to retirement; teacher's contributions to the variable annuity account; transferring funds from past contributions; amending Minnesota Statutes 1982, section 354.62, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Peterson, C.C. introduced-

S.F. No. 1415: A bill for an act relating to taxation; exempting certain lease payments from the sales tax; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced-

S.F. No. 1416: A bill for an act relating to retirement; computation of benefit limitations for public pension plans; amending Minnesota Statutes 1982, section 356.61, as amended.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 1417: A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; author-

izing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statments; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; granting the commissioner authority to adopt rules regarding unreasonable expenses; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.081; 62A.14; 62A.147; 62A.149; 62D.02, subdivisions 5, 6, and 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, 11, and by adding a subdivision; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.20; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.152; 62A.17, subdivisions 1 and 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1418: A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Referred to the Committee on Health and Human Services.

Messrs. Wegscheid, Diessner, Schmitz and Mehrkens introduced—

S.F. No. 1419: A bill for an act relating to agriculture; establishing a grape research and promotion program funded by a portion of the wine excise tax; appropriating money; amending Minnesota Statutes 1983 Supplement, section 340.485, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 340.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Knutson introduced-

S.F. No. 1420: A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession and furnishing; amending Minnesota Statutes 1982, sections 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 1421: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Moe, R.D. introduced-

S.F. No. 1422: A bill for an act relating to Independent School District No. 524, Halstad, and Independent School District No. 525, Hendrum; authorizing the establishment of certain procedures and election districts to govern the election of a school board to govern the school district created by the consolidation of those districts.

Referred to the Committee on Education.

Mr. Pogemiller introduced-

S.F. No. 1423: A bill for an act relating to taxation; requiring amendment of property tax refund claims when property taxes are reduced; amending Minnesota Statutes 1982, section 375.192, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—

S.F. No. 1424: A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to eligible beginning farmers or family farm corporations; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b; proposing new law coded in Minnesota Statutes, chapter 290.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Kronebusch introduced-

S.F. No. 1425: A bill for an act relating to taxation; sales; redefining occasional sales; amending Minnesota Statutes 1982, section 297A.25, subdivision 1, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Kronebusch introduced-

S.F. No. 1426: A bill for an act relating to public libraries; providing for library board members and terms; amending Minnesota Statutes 1982, section 134.09, subdivisions 1, as amended, and 2, as amended.

Referred to the Committee on Education.

Mr. Bertram introduced-

S.F. No. 1427: A bill for an act relating to agriculture; changing the eligi-

bility requirements for a family farm security loan; amending Minnesota Statutes 1983 Supplement, section 41.55.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced-

S.F. No. 1428: A bill for an act relating to taxation; reducing town levies required to qualify for local government aids; increasing the appropriation for aid to towns; amending Minnesota Statutes 1983 Supplement, sections 477A.013, subdivisions 1 and 2; and 477A.03, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced-

S.F. No. 1429: A bill for an act relating to taxation; providing for early termination of the surtax on individual income tax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws

Messrs. Peterson, C.C. and Moe, R.D. introduced-

S.F. No. 1430: A bill for an act relating to game and fish; creating a special management zone for taking and possessing protected wild animals on the White Earth Indian Reservation; setting special game and fish regulations for property owners in the zone who are not members of the White Earth Band of Chippewa Indians; proposing new law coded in Minnesota Statutes, chapter 97.

Referred to the Committee on Agriculture and Natural Resources.

Mr. DeCramer introduced-

S.F. No. 1431: A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutant generals; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Referred to the Committee on Veterans and General Legislation.

Messrs. Merriam; Peterson, C.C.; Pehler and Dieterich introduced—

S.F. No. 1432: A bill for an act relating to courts; abolishing the county and probate court; transferring the jurisdiction, cases, records, and employees of that court to the district court; merging the municipal and conciliation courts with the district court in the second and fourth judicial districts; transferring the jurisdiction, cases, records, and employees of those courts to the district court; providing that municipal, probate, and county judges learned in the

law are district judges; providing that the county court judge not learned in the law is an associate judge; limiting the creation of additional referee, law clerk, courtroom bailiff, and courtroom deputy clerk positions; providing transitional retirement benefits; amending Minnesota Statutes 1982, sections 2.722, subdivision 1; 484.01; 484.545, subdivision 1; 484.64, subdivision 3; 484.65, subdivision 7; and 484.69, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 260.031, subdivision 1; and 484.70, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 487; 488A; and 490; repealing Minnesota Statutes 1982, section 487.191.

Referred to the Committee on Judiciary.

Messrs. Lessard, Stumpf and Peterson, C.C. introduced-

S.F. No. 1433: A bill for an act relating to natural resources; extension of state timber permits; amending Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, C.C. and Moe, D.M. introduced-

S.F. No. 1434: A bill for an act relating to retirement; subjecting public pensions to legal process in actions for dissolution, legal separation, or child support; repealing inconsistent local laws; amending Minnesota Statutes 1982, sections 69.62; 353.15; 354.10; 422A.24; 423.39; 423.61; 423.813; 424.27; and 424A.02, subdivision 6; and Minnesota Statutes 1983 Supplement, sections 352.15, subdivision 1; 352B.071; and 354A.11; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1931. chapter 48, section 5; 1935, chapter 192, section 4; 1943, chapter 397, section 26; 1945, chapter 74, section 5; 1947, chapter 43, section 26; 1949, chapter 87, section 29; chapter 144, section 26; chapter 378, section 26; and chapter 406, section 7, subdivision 3, as amended; 1953, chapter 91, section 12; chapter 348, section 22; and chapter 399, section 26, 1955, chapter 75, section 27, as amended; chapter 151, section 17; and chapter 375, section 28; 1959, chapter 131, section 22; 1961, chapter 343, section 22, as amended: and chapter 631, section 4; 1963, chapter 443, section 22; and chapter 643, section 23; 1965, chapter 605, section 28; 1971, chapter 51, section 14, subdivision 16; 1973, chapter 432, section 7, subdivision 2; 1974, chapter 382, section 7, subdivision 2; 1977, chapter 374, section 15; and 1982, chapter 610, section 18.

Referred to the Committee on Governmental Operations.

Messrs. Moe, R.D.; Stumpf; Langseth and Berg introduced-

S.F. No. 1435: A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

Referred to the Committee on Transportation.

Mr. Peterson, C.C. introduced—

S.F. No. 1436: A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 290.01, by adding a subdivision; 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Schmitz and Wegscheid introduced-

S.F. No. 1437: A bill for an act relating to elections; requiring employers to pay employees during their service as election judges; amending Minnesota Statutes 1983 Supplement, section 204B.195.

Referred to the Committee on Elections and Ethics.

Messrs. Schmitz and Wegscheid introduced-

S.F. No. 1438: A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

Referred to the Committee on Local and Urban Government.

Mr. Johnson, D.J. introduced—

S.F. No. 1439: A bill for an act relating to taxation; defining "political party" for purposes of the political contribution credit; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 11.

Referred to the Committee on Elections and Ethics.

Mr. Johnson, D.J. introduced—

S.F. No. 1440: A bill for an act relating to taxation; authorizing certain additional levies in counties; amending Minnesota Statutes 1982, section 275.48.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Spear; Moe, D.M. and Pogemiller introduced-

S.F. No. 1441: A bill for an act relating to the operation of the department of economic security; funding sheltered workshop and work activity programs based on evaluated effectiveness; defining sheltered employee; requiring rulemaking and a report to the legislature; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

Referred to the Committee on Employment.

Messrs. Spear and Pogemiller introduced—

S.F. No. 1442: A bill for an act relating to resident aliens; clarifying the

rights and responsibilities of resident aliens with respect to the distribution of economic benefits, militia enlistment, and veterans affairs; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 60A.19, subdivision 7; 64A.10, subdivision 1; 85.018, subdivision 6; 98.45, subdivision 4; 98.47, subdivisions 8 and 15; 137.10; 147.25; 181.59; 184.26, subdivision 3; 190.06, subdivision 3; 197.03; 197.05; 197.447; 197.63, subdivision 1; 198.01; 256E.08, subdivision 10; 340.02, subdivision 8; 340.13, subdivision 12; 340.403, subdivision 3; 359.01; 360.015, subdivision 9; 395.14; 462.525, subdivision 10; 617.34; and 617.35; and Minnesota Statutes 1983 Supplement, section 51A.03, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Pehler introduced-

S.F. No. 1443: A bill for an act relating to crimes; prohibiting interfering with emergency communications over a citizen's band radio channel; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Pehler introduced-

S.F. No. 1444: A bill for an act relating to education; extending the deadline for rulemaking on curriculum offerings; amending Laws 1983, chapter 314, article 8, section 23.

Referred to the Committee on Education.

Mr. Pehler introduced-

S.F. No. 1445: A bill for an act relating to education; requiring more detailed local planning for curriculum in the planning, evaluating, and reporting process; amending Minnesota Statutes 1982, sections 123.74, and 123.742, subdivision 1; and Minnesota Statutes 1983 Supplement, section 123.741.

Referred to the Committee on Education.

Mr. Pehler introduced-

S.F. No. 1446: A bill for an act relating to education; defining school bus; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; and 171.01, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Pehler introduced-

S.F. No. 1447: A bill for an act relating to retirement; correctional employees annuity formula computation; rule of 75; amending Minnesota Statutes 1982, section 352.93, subdivisions 2, 3, and by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Pehler introduced—

S.F. No. 1448: A bill for an act relating to public employment; providing certain exceptions to the definition of a public employee; amending Minnesota Statutes 1983 Supplement, section 179.63, subdivision 7.

Referred to the Committee on Employment.

Messrs. Moe, R.D.; Diessner and Benson introduced-

S.F. No. 1449: A bill for an act relating to game and fish; authorizing reciprocity with Wisconsin in the purchase and sale of annual hunting and fishing licenses; proposing new law coded in Minnesota Statutes, chapter 98.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Wegscheid and Schmitz introduced-

S.F. No. 1450: A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. DeCramer introduced—

S.F. No. 1451: A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dieterich and Knaak introduced-

S.F. No. 1452: A bill for an act relating to trusts; eliminating procedures for confirming appointment of trustees; repealing Minnesota Statutes 1982, sections 501.33 to 501.38.

Referred to the Committee on Judiciary.

Messrs. Diessner, Vega and Wegscheid introduced-

S.F. No. 1453: A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

Referred to the Committee on Health and Human Services.

Messrs. Diessner, Wegscheid and Petty introduced—

S.F. No. 1454: A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

Referred to the Committee on Health and Human Services.

Mr. Jude, Mrs. Adkins and Mr. Schmitz introduced-

S.F. No. 1455: A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

Referred to the Committee on Health and Human Services.

Messrs, Jude and Schmitz introduced-

S.F. No. 1456: A bill for an act relating to highway traffic regulations; requiring driver's license revocation of any person under the age of 19 who is found driving a motor vehicle while under the influence of any measurable amount of alcohol; amending Minnesota Statutes 1982, section 169.123, subdivisions 4 and 5a; and Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced-

S.F. No. 1457: A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1983 Supplement, section 116J.88, subdivisions 7 and 7a; 116J.90, subdivisions 1 and 3; and proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Mehrkens introduced—

S.F. No. 1458: A bill for an act relating to intoxicating liquor; authorizing the town of Cannon Falls to issue an off-sale license.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Frederick, Berg, Anderson, Isackson and Mehrkens introduced—

S.F. No. 1459: A bill for an act relating to taxation; income; conforming to federal treatment of individual retirement plan contributions and certain pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty, Mrs. Lantry and Mr. Novak introduced-

S.F. No. 1460: A bill for an act relating to crimes; providing for the admissibility of certain sexual abuse victims' statements as evidence; defining the crime of indecent liberties; increasing the age limits of minor victims in the definitions of criminal sexual conduct offenses; clarifying responsibility for payment of costs of medical examinations of criminal sexual conduct or intrafamilial sexual abuse victims; amending Minnesota Statutes 1982, sec-

tions 595.02; 609.342; 609.343; 609.344; 609.345; 609.346; and 609.35; proposing new law coded in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Petty introduced—

S.F. No. 1461: A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released; amending Minnesota Statutes 1982, section 3.739, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Petty introduced—

S.F. No. 1462: A bill for an act relating to domestic abuse; authorizing intervention by the juvenile court to protect children from domestic abuse; amending Minnesota Statutes 1982, section 518B.01, subdivisions 3 and 4; and Minnesota Statutes 1983 Supplement, section 518B.01, subdivision 6.

Referred to the Committee on Judiciary.

Mr. Petty introduced-

S.F. No. 1463: A bill for an act relating to children; mandating employee assistance counselors to report child abuse; amending Minnesota Statutes 1982, section 626.556, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Storm introduced-

S.F. No. 1464: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Storm introduced-

S.F. No. 1465: A bill for an act relating to crimes; prescribing penalties for whoever causes the death or injury of another while operating a vehicle while having an alcohol concentration of 0.10 or more; amending Minnesota Statutes 1983 Supplement, section 609.21.

Referred to the Committee on Judiciary.

Mr. Lessard introduced—

S.F. No. 1466: A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, section 43A.11, subdivision 1.

Referred to the Committee on Veterans and General Legislation.

Mr. Merriam introduced-

S.F. No. 1467: A bill for an act relating to commerce; protecting individu-

als' expectations of privacy regarding financial records; proposing new law coded in Minnesota Statutes, chapter 13A.

Referred to the Committee on Judiciary.

Mr. Frederick introduced-

S.F. No. 1468: A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Referred to the Committee on Transportation.

Mr. Frederick introduced-

S.F. No. 1469: A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Referred to the Committee on Employment.

Mr. Renneke and Ms. Olson introduced—

S.F. No. 1470: A bill for an act relating to unemployment compensation; providing an extended base period for certain child care leaves; amending Minnesota Statutes 1983 Supplement, section 268.04, subdivision 2.

Referred to the Committee on Employment.

Ms. Reichgott and Mr. Spear introduced-

S.F. No. 1471: A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

Referred to the Committee on Judiciary.

Ms. Reichgott introduced—

S.F. No. 1472: A bill for an act relating to the University of Minnesota; requiring a job evaluation study; establishing a reporting requirement.

Referred to the Committee on Employment.

Ms. Reichgott introduced-

S.F. No. 1473: A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending Minnesota Statutes 1982, section 508.16, subdivision 1.

Referred to the Committee on Judiciary.

Ms. Reichgott introduced-

S.F. No. 1474: A bill for an act relating to natural resources; expanding the

trout stamp program to include trout lakes and Lake Superior; reducing the age requirement for obtaining a trout stamp; amending Minnesota Statutes 1982, section 97.4842.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Reichgott introduced-

S.F. No. 1475: A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

Referred to the Committee on Public Utilities and State Regulated Industries.

Ms. Reichgott introduced-

S.F. No. 1476: A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

Referred to the Committee on Elections and Ethics.

Mr. Chmielewski introduced-

S.F. No. 1477: A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982, sections 176.061, by adding subdivisions; 176.221, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivision 1, and by adding a subdivision; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 176.041, subdivision 1; 176.051, subdivisions 2 and 3; 176.101, subdivision 3t; 176.103, subdivision 2, and by adding a subdivision; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.221, subdivisions 1 and 3; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 3, and 8; 176.421, subdivision 7; 176.442; and 176.66, subdivision 11; repealing Minnesota Statutes 1983 Supplement, sections 176.051, subdivision 4; and 176.129, subdivision 5.

Referred to the Committee on Employment.

Ms. Olson, Mrs. McQuaid and Mr. Schmitz introduced-

S.F. No. 1478: A bill for an act relating to cities; permitting cities to reimburse officers or employees for certain legal expenses; proposing new law coded in Minnesota Statutes, chapter 465.

Referred to the Committee on Local and Urban Government.

Mr. Diessner introduced—

S.F. No. 1479: A bill for an act relating to public welfare; clarifying the commissioner's rulemaking authority; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Referred to the Committee on Health and Human Services. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Diessner introduced—

S.F. No. 1480: A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Renneke introduced---

S.F. No. 1481: A bill for an act relating to metropolitan government; removing certain watersheds from the metropolitan surface water management program; amending Minnesota Statutes 1982, section 473.876, subdivision 7.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Diessner, Petty, Ms. Berglin, Messrs. Chmielewski and Dicklich introduced—

S.F. No. 1482: A bill for an act relating to health; requiring the commissioner of health to publish information about hazardous substances; proposing new law coded in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Mr. Dicklich introduced-

S.F. No. 1483: A bill for an act relating to labor; requiring political subdivisions to hire labor negotiators under the municipal contracting law; requiring negotiators' fees to be reported to PERB and to the legislature; amending Minnesota Statutes 1982, section 179.72, subdivision 3; and proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Employment.

Mr. Dicklich introduced-

S.F. No. 1484: A bill for an act relating to transportation; requiring reflectors on railroad cars and cabooses; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 219.

Referred to the Committee on Transportation.

Mr. Peterson, C.C. introduced-

S.F. No. 1485: A bill for an act relating to gambling; removing the yearly total prize award limit on licensed organizations; amending Minnesota Statutes 1982, section 349.26, subdivision 15.

Referred to the Committee on Veterans and General Legislation. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Peterson, C.C. introduced-

S.F. No. 1486: A bill for an act relating to retirement; providing for an increase in the amount of employer contributions to the teachers retirement association and to the teachers retirement fund associations in cities of the first class; amending Minnesota Statutes 1982, sections 354.42, subdivision 5; and 354A.12, subdivision 2.

Referred to the Committee on Governmental Operations.

Ms. Peterson, D.C. introduced-

S.F. No. 1487: A bill for an act relating to traffic regulations; allowing a vehicle with a handicapped certificate to be parked on the left-hand side of a roadway; amending Minnesota Statutes 1982, section 169.345, subdivision 1.

Referred to the Committee on Transportation.

Messrs. Pehler, Schmitz and Laidig introduced-

S.F. No. 1488: A bill for an act relating to state government; providing for the addition of a member, 60 years of age or over, to serve as a representative of the older population on certain state boards, commissions, advisory councils, task forces, or committees; proposing new law coded in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations.

Messrs. Nelson and Pehler introduced—

S.F. No. 1489: A bill for an act relating to education; extending the deadline for certain state aid adjustments; amending Minnesota Statutes 1982, section 124.214, subdivision 1.

Referred to the Committee on Education.

Mr. Freeman introduced-

S.F. No. 1490: A bill for an act relating to alcoholic beverages; restricting hours of sale on statewide election days; amending Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

Referred to the Committee on Public Utilities and State Regulated Industries.

Ms. Berglin introduced—

S.F. No. 1491: A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; empowering tribal courts with jurisdiction of Indian child welfare; proposing new law coded in Minnesota Statutes, chapter 257.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1492: A bill for an act relating to marriage dissolution; providing for determination and modification of child support; changing laws relating to docketing of judgments for support and maintenance; providing for withholding of support and maintenance from retirement and annuity benefits; providing for the vacating of liens of certain judgments; amending Minnesota Statutes 1982, sections 257.66, by adding a subdivision; 353.15; 354.10; 518.55; 548.13; and 548.17; and Minnesota Statutes 1983 Supplement, sections 256.87, by adding a subdivision; 352.15, subdivision 1; 352B.071; 354A.11; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 548.

Referred to the Committee on Judiciary.

Mrs. Lantry introduced-

S.F. No. 1493: A bill for an act relating to public welfare; directing the commissioner of public welfare to study the need for a home and community-based service and apply for a waiver for chronically ill children under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Mrs. Lantry introduced—

S.F. No. 1494: A bill for an act relating to health; requiring uniform school cafeteria licensing fees within licensing jurisdictions; proposing new law coded in Minnesota Statutes, chapter 157.

Referred to the Committee on Health and Human Services.

Mr. Diessner introduced—

S.F. No. 1495: A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182,653, subdivision 4f.

Referred to the Committee on Employment.

Mr. Frank introduced-

S.F. No. 1496: A bill for an act relating to traffic regulations; prohibiting operation of certain vehicles painted the color of school buses; requiring display of two numbered license plates on farm trucks; requiring that when protective headgear is required that it comply with standards established by the commissioner of public safety; prohibiting possession and storage of fireworks; amending Minnesota Statutes 1982, sections 169.44, subdivision 8; 169.79; Minnesota Statutes 1983 Supplement, section 169.974, subdivisions 2 and 6; and repealing Minnesota Statutes 1982, sections 169.672 and 169.755.

Referred to the Committee on Transportation.

Mr. Frank and Mrs. Lantry introduced-

S.F. No. 1497: A bill for an act relating to traffic regulations; permitting certain failures to wear or use safety devices to be admitted as evidence; amending Minnesota Statutes 1982, section 169.685, subdivision 4.

Referred to the Committee on Transportation.

Mr. Waldorf introduced-

S.F. No. 1498: A bill for an act relating to occupations and professions; changing the name of the private detective and protective agent services board; clarifying its powers and duties; authorizing licensing of alarm system businesses; specifying qualifications; amending Minnesota Statutes 1982, sections 214.01, subdivision 3; 326.32, subdivisions 2, 8, 9, and 10, and by adding subdivisions; 326.331; 326.332, subdivision 1, and by adding subdivisions; 326.331; 326.332, subdivision 1; 326.333; 326.334, subdivisions 1 and 2, and by adding a subdivisions; 326.336, subdivision 1, and by adding subdivisions; 326.337, subdivisions 1, 2, and 3; and Minnesota Statutes 1983 Supplement, section 214.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 326; and repealing Minnesota Statutes 1982, sections 299C.01, subdivision 3; 326.32, subdivisions 3, 4, 5, 6, 7, and 11; and 326.33, subdivisions 2, 3, 4, and 5.

Referred to the Committee on Veterans and General Legislation.

Mr. Ramstad, Mmes. McQuaid, Kronebusch and Mr. Storm introduced—

S.F. No. 1499: A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; providing for revocation of a driver's license for a year upon refusal to submit to chemical testing; amending Minnesota Statutes 1982, section 169.123, subdivisions 4 and 5a; Minnesota Statutes 1983 Supplement, section 169.123, subdivisions 2 and 6.

Referred to the Committee on Judiciary.

Mr. Ramstad introduced-

S.F. No. 1500: A bill for an act relating to crimes; providing that motor vehicles of persons convicted of a second violation of driving under the influence of alcohol or a controlled substance are subject to forfeiture; appropriating money; proposing new law coded in Minnesota Statutes, chapter 169.

Referred to the Committee on Judiciary.

Mr. Ramstad introduced-

S.F. No. 1501: A bill for an act relating to outdoor recreation; repealing licensing requirements for cross country skiers; repealing Minnesota Statutes 1983 Supplement, sections 85.40; 85.41; 85.42; 85.43; 85.44; 85.45; and

Laws 1983, chapter 325, section 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, D.L.; Ms. Olson, Messrs. Ramstad, Kamrath and Mehrkens introduced—

S.F. No. 1502: A bill for an act relating to education; creating the initiatives for excellence grant program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Ms. Olson, Mr. Taylor, Mrs. McQuaid, Messrs. Anderson and Isackson introduced—

S.F. No. 1503: A bill for an act relating to education; establishing a state examination program for secondary public and nonpublic pupils; appropriating money; amending Minnesota Statutes 1983 Supplement, section 136A.121, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Mr. Novak introduced-

S.F. No. 1504: A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes; providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publishing of false, misleading, or deceptive advertising regarding subdivided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34, subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83; repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

Referred to the Committee on Economic Development and Commerce.

Mr. Kroening introduced-

S.F. No. 1505: A bill for an act relating to the city of Minneapolis; allowing unemployment benefits to be calculated on a per day basis for seasonal employees in the department of public works.

Referred to the Committee on Local and Urban Government.

Messrs. Pogemiller and Freeman introduced-

S.F. No. 1506: A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

Referred to the Committee on Local and Urban Government.

Mr. Pogemiller, Ms. Berglin and Mr. Kroening introduced-

S.F. No. 1507: A bill for an act relating to the city of Minneapolis; authorizing the issuance of bonds and the levy of special assessments or service charges for fire protection systems; amending Laws 1969, chapter 499, section 2, and by adding a section.

Referred to the Committee on Local and Urban Government.

Mr. Novak introduced-

S.F. No. 1508: A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, section 327C.07, subdivisions 3a and 8.

Referred to the Committee on Energy and Housing.

Mr. Renneke introduced-

S.F. No. 1509: A bill for an act relating to soil and water conservation; providing additional methods to state and local boards for the encouragement of participation in erosion control projects; imposing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, chapter 40.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Petty and Freeman introduced-

S.F. No. 1510: A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

Referred to the Committee on Economic Development and Commerce.

Mr. Petty introduced-

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs, Freeman and Purfeerst introduced—

S.F. No. 1512: A bill for an act relating to retirement; firefighter's relief association; reducing from three years to one year the period of marriage required to qualify a surviving spouse for survivor benefits; amending Min-

nesota Statutes 1982, section 424.24, subdivision 2; and Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; and Laws 1973, chapter 359, section 5, subdivision 2.

Referred to the Committee on Governmental Operations.

Mrs. Kronebusch introduced-

S.F. No. 1513: A bill for an act relating to transportation; real property; allowing the commissioner of transportation to vacate old trunk highways under certain conditions; amending Minnesota Statutes 1982, section 161.16.

Referred to the Committee on Transportation.

Messrs. Merriam, Schmitz and Laidig introduced-

S.F. No. 1514: A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivision 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.46, subdivision 1; 115A.70, by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivisions 5 and 5a; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 116E; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Freeman, Pehler and Dicklich introduced-

S.F. No. 1515: A bill for an act relating to human rights; lengthening the time for filing a charge after the occurrence of an unfair discriminatory practice; providing for an award of prejudgment interest and attorney fees in certain cases; increasing the amount of punitive damages that may be awarded; changing the standard under which punitive damages are awarded; allowing liability for loss of back pay to accrue for six years; providing for jury trials on request of either party in actions before the district court; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; and 363.14, subdivision 2; Minnesota Statutes 1983 Supplement, section

363.071, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Peterson, C.C. introduced—

S.F. No. 1516: A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; making technical corrections and administrative changes to income tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.03, subdivision 7; and 290A.07, subdivision 2a; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; repealing Minnesota Statutes 1982, sections 290.011; 290.012, subdivisions 1, 3, and 4; 290.101; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, sections 290.012, subdivision 2; and 290A.16; and Laws 1983, chapter 207, section 6.

Referred to the Committee on Taxes and Tax Laws.

Ms. Peterson, D.C. introduced—

S.F. No. 1517: A bill for an act relating to education; requiring full payment in the year of provision to providers to the hearing impaired adult program; amending Minnesota Statutes 1983 Supplement, section 124.195, subdivision 9.

Referred to the Committee on Education.

Mr. Kamrath introduced-

S.F. No. 1518: A bill for an act relating to game and fish; imposing a minimum size limit on walleyed pike; amending Minnesota Statutes 1982, section 101.42, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Freeman introduced—

S.F. No. 1519: A bill for an act relating to labor; regulating the payment of wages when employment is terminated; amending Minnesota Statutes 1982, sections 181.13; and 181.14.

Referred to the Committee on Employment.

Mr. Purfeerst, Mrs. Lantry, Messrs. Mehrkens and DeCramer introduced—

S.F. No. 1520: A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; reducing 2,000-pound limitation to three-fourths ton for motor vehicles in certain situations; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; requiring a bond in the amount of tax to be paid in installments; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9, 13, 28, and 29; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; and 169.01, subdivisions 10, 11, and 50; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.021, subdivision 1; 168.12, subdivision 2; and 169.73.

Referred to the Committee on Transportation.

Mr. Peterson, C.C. introduced-

S.F. No. 1521: A bill for an act relating to taxation; income; conforming to federal treatment of picked up contributions to a government pension plan; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Mehrkens, Kamrath, Ms. Olson, Messrs. Taylor and Peterson, D.L. introduced—

S.F. No. 1522: A bill for an act relating to education; establishing an academic excellence academy for secondary school pupils; appropriating money; proposing new law coded as Minnesota Statutes, chapter 128B.

Referred to the Committee on Education.

Mr. Vega introduced-

S.F. No. 1523: A bill for an act relating to energy; prohibiting public utilities from establishing large volume contract service rates; amending Minnesota Statutes 1982, section 216B.07.

Referred to the Committee on Energy and Housing.

Mr. Vega introduced-

S.F. No. 1524: A bill for an act relating to energy; prohibiting the siting and construction of a power plant with a generating capacity in excess of 250 megawatts; amending Minnesota Statutes 1983 Supplement, section 116J.28, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Mr. Vega introduced-

S.F. No. 1525: A bill for an act relating to energy; limiting the amount of excess generating capacity by public utilities that may be included in the rate base; amending Minnesota Statutes 1982, section 216B.16, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Vega and Moe, R.D. introduced—

S.F. No. 1526: A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

Referred to the Committee on Energy and Housing.

Messrs. Johnson, D.J. and Dicklich introduced-

S.F. No. 1527: A bill for an act relating to taxation; extending homestead treatment to certain dwelling units; amending Minnesota Statutes 1982, section 273.13, subdivision 19.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced-

S.F. No. 1528: A bill for an act relating to waters; appeals from classification of public waters and wetlands; amending Minnesota Statutes 1982, section 105.391, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Pehler introduced-

S.F. No. 1529: A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

Referred to the Committee on Local and Urban Government.

Mr. Solon introduced—

S.F. No. 1530: A bill for an act relating to unemployment compensation; providing for the disqualification of benefits under certain circumstances; amending Minnesota Statutes 1982, section 268.09, subdivision 3.

Referred to the Committee on Employment.

Mr. Solon introduced—

S.F. No. 1531: A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

Referred to the Committee on Health and Human Services.

Messrs. Willet; Pehler; Merriam; Moe, R.D. and Johnson, D.E. introduced-

S.F. No. 1532: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, section 94.343, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. McOuaid, Ms. Olson and Mr. Ramstad introduced-

S.F. No. 1533: A bill for an act relating to education; authorizing two more technology demonstration sites; appropriating money; amending Minnesota Statutes 1983 Supplement, section 129B.36, by adding a subdivision.

Referred to the Committee on Education.

Mr. Ramstad and Mrs. McQuaid introduced-

S.F. No. 1534: A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; authorizing lotteries and the sale of lottery tickets under certain circumstances.

Referred to the Committee on Veterans and General Legislation. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Frederick, Frederickson, Benson and Samuelson introduced-

S.F. No. 1535: A bill for an act relating to public welfare; limiting the income contribution of parents of children in out-of-home placement; amending Laws 1983, chapter 312, article 1, section 2, subdivision 5.

Referred to the Committee on Health and Human Services.

Mr. Wegscheid introduced-

S.F. No. 1536: A bill for an act relating to financial institutions; credit unions; adding investment losses to the category of contingencies against which credit unions are required to reserve; amending Minnesota Statutes 1982, section 52.17, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid introduced—

S.F. No. 1537: A bill for an act relating to financial institutions; credit unions; allowing credit unions to designate the par value of shares; amending Minnesota Statutes 1983 Supplement, sections 52.01; and 52.04, subdivision

1.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid introduced—

S.F. No. 1538: A bill for an act relating to financial institutions; credit unions; authorizing the imposition of an annual membership fee; amending Minnesota Statutes 1982, section 52.12.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid introduced-

S.F. No. 1539: A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; specifying certain components of the capital of a credit union; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Peterson, C.C. introduced—

S.F. No. 1540: A bill for an act relating to retirement; guaranteeing public pension plan benefits; proposing new law coded in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8.

Referred to the Committee on Governmental Operations.

Mr. Peterson, C.C. introduced-

S.F. No. 1541: A bill for an act relating to retirement; public employees retirement association; establishing a rule of 85; amending Minnesota Statutes 1982, section 353.30, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced--

S.F. No. 1542: A bill for an act relating to capital improvements; authorizing acquisition of land adjacent to Anoka-Ramsey Community College; appropriating money.

Referred to the Committee on Finance.

Mr. Frank introduced-

S.F. No. 1543: A bill for an act relating to state lands; terminating a possible right of reversion to the state in certain real estate.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, C.C. introduced—

S.F. No. 1544: A bill for an act relating to taxation; income; providing that certain social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pehler, Stumpf, Nelson, Ms. Peterson, D.C. and Mr. Peterson, D.L. introduced—

S.F. No. 1545: A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; authorizing lotteries and the sale of lottery tickets under certain circumstances.

Referred to the Committee on Veterans and General Legislation. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Peterson, D.C. and Mr. Luther introduced-

S.F. No. 1546: A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

Referred to the Committee on Elections and Ethics.

Messrs. Ulland, Ramstad, Storm, Isackson and Kamrath introduced-

S.F. No. 1547: A bill for an act relating to state government; providing for the express rejection of the recommended salary plans for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, C.C.; Lessard and Stumpf introduced-

S.F. No. 1548: A bill for an act relating to game and fish; regulating enforcement of the laws relating to wild animals; providing for reciprocity with other governments; amending Minnesota Statutes 1982, section 97.501.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dicklich introduced-

S.F. No. 1549: A bill for an act relating to unemployment compensation; providing for the disqualification for benefits under certain circumstances;

amending Minnesota Statutes 1982, section 268.09, subdivision 3.

Referred to the Committee on Employment.

Mr. Dicklich introduced-

S.F. No. 1550: A bill for an act relating to unemployment compensation; eliminating a condition for return of benefits under certain circumstances; amending Minnesota Statutes 1982, section 268.18, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 268.10, subdivision 2; and 268.18, subdivision 1.

Referred to the Committee on Employment.

Messrs. Johnson, D.J. and Peterson, C.C. introduced—

S.F. No. 1551: A bill for an act relating to taxation; providing for the determination of EARC adjusted assessed value; clarifying certain property tax credit provisions; simplifying iron ore valuation hearing requirements; modifying assessment procedures of certain class 3 property; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 124.2131; 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 21; 273.1311; 276.04; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced—

S.F. No. 1552: A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; requiring an annual report to the legislature on agency payment records; proposing new law coded in Minnesota Statutes, chapter 16.

Referred to the Committee on Governmental Operations.

Messrs. Nelson and Moe. D.M. introduced-

S.F. No. 1553: A bill for an act relating to state government; ratifying state labor agreements and compensation plans.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced-

S.F. No. 1554: A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.877 and 473.878, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 473.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Johnson, D.J. introduced-

S.F. No. 1555: A bill for an act relating to liquor; prohibiting persons under 19 years of age from consuming nonintoxicating malt liquor on licensed premises; amending Minnesota Statutes 1982, section 340.035, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced-

S.F. No. 1556: A bill for an act relating to taxation; revising contiguous boundary and population requirements for designation of enterprise zones; amending Minnesota Statutes 1983 Supplement, section 273.1312, subdivision 4.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid introduced-

S.F. No. 1557: A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

Referred to the Committee on Health and Human Services.

Mr. Bernhagen introduced-

S.F. No. 1558: A bill for an act relating to sheriffs; authorizing the removal of certain deputies and employees at pleasure; amending Minnesota Statutes 1982, section 387.14.

Referred to the Committee on Local and Urban Government.

Messrs. Dieterich, DeCramer, Knaak, Frank and Novak introduced—

S.F. No. 1559: A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Waldorf introduced-

S.F. No. 1560: A bill for an act relating to crimes; subjecting certain property to forfeiture if exchanged for or associated with controlled substances;

conforming definitions with other statutes; amending Minnesota Statutes 1982, section 152.19, subdivisions 1, 2, 4, 5, and 8.

Referred to the Committee on Judiciary.

Mr. Waldorf introduced—

S.F. No. 1561: A bill for an act relating to crimes; providing for forfeitures of conveyances, containers, weapons used, and contraband property when utilized in the commission of designated offenses; proposing new law coded in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 1562: A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced---

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Referred to the Committee on Employment.

Mr. Chmielewski introduced—

S.F. No. 1564: A bill for an act relating to taxation; property; providing for homestead treatment of certain property used for both homestead and other purposes; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S.F. No. 1565: A bill for an act relating to health; repealing waivered services for the mentally retarded; allowing for state hospital closings; amending Laws 1983, chapter 312, article 9, section 11; proposing new law coded in Minnesota Statutes, chapter 246.

Referred to the Committee on Health and Human Services.

Mr. Lessard introduced—

S.F. No. 1566: A bill for an act relating to motor vehicles; providing licensing and bonding requirements for horse trailer dealers; amending Minnesota Statutes 1982, section 168.27, subdivisions 22 and 24.

Referred to the Committee on Transportation.

Messrs. Dicklich and Spear introduced—

S.F. No. 1567: A bill for an act relating to the organization and operation of state government; creating an office of economic conversion; prescribing its duties; requiring certain defense-related businesses and labor organizations to provide certain information; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Commerce.

Ms. Berglin introduced—

S.F. No. 1568: A bill for an act relating to highway safety; increasing the tax on certain wines; appropriating money for programs to combat drunken driving; reducing an appropriation; amending Minnesota Statutes 1982, section 340.47, subdivisions 1 and 1a; proposing new law coded in Minnesota Statutes, chapter 340.

Referred to the Committee on Judiciary.

Mr. Sieloff introduced-

S.F. No. 1569: A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section providing that property taxes may not exceed a percentage of market value.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced--

S.F. No. 1570: A bill for an act relating to taxation; income; changing the deduction for self-employment taxes; amending Minnesota Statutes 1983 Supplement, section 290.10.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced-

S.F. No. 1571: A bill for an act relating to taxation; income; providing that social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff introduced—

S.F. No. 1572: A bill for an act relating to probate; providing for antemortem probate of wills; proposing new law coded in Minnesota Statutes, chapter 525.

Referred to the Committee on Judiciary.

Messrs. Knaak and Sieloff introduced-

S.F. No. 1573: A bill for an act relating to retirement; authorizing certain Ramsey county sheriff's department radio dispatchers to obtain additional service credit in the public employees police and fire fund.

Referred to the Committee on Governmental Operations.

Mr. Sieloff introduced---

S.F. No. 1574: A bill for an act relating to taxation; providing an income tax deduction for postsecondary educational expenses; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Jude and Knaak introduced-

S.F. No. 1575: A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; proposing new law coded in Minnesota Statutes, chapter 514.

Referred to the Committee on Judiciary.

Messrs. Jude, Diessner and Knaak introduced-

S.F. No. 1576: A bill for an act relating to military justice; modifying the appeal of court-martial proceedings; clarifying when a military judge may issue search warrants; amending Minnesota Statutes 1982, sections 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Referred to the Committee on Judiciary.

Mr. Lessard introduced-

S.F. No. 1577: A bill for an act relating to taxation; income; modifying the definition of small business assistance office; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davis introduced-

S.F. No. 1578: A bill for an act relating to water pollution control; establishing an independent state grants program for the construction of municipal wastewater treatment facilities; appropriating money; amending Minnesota Statutes 1982, sections 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, section 116.18; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1579: A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; appropriating money; proposing new law coded in Minnesota Statutes, chapter 299C.

Referred to the Committee on Judiciary.

Mrs. Adkins introduced-

S.F. No. 1580: A bill for an act relating to veterans; allowing the American Veterans organization to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

Referred to the Committee on Veterans and General Legislation.

Messrs. Purfeerst, Spear, Willet and Knaak introduced-

S.F. No. 1581: A bill for an act relating to crimes; traffic regulations; requiring revocation of a person's driver's license until his or her 19th birthday upon violation of a traffic law relating to the possession or consumption of alcohol; amending Minnesota Statutes 1982, sections 169.121, subdivision 4; 169.122, subdivision 4; 169.123, subdivision 5; and 171.17; Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2.

Referred to the Committee on Judiciary.

Mr. DeCramer introduced—

S.F. No. 1582: A bill for an act relating to Independent School District No. 415, Lynd; authorizing the transfer of \$60,000 from the capital outlay fund to the general fund; requiring local approval.

Referred to the Committee on Education.

Messrs. Peterson, C.C. and Stumpf introduced-

S.F. No. 1583: A bill for an act relating to natural resources; accelerating authority to end certain commercial fishing in Lake of the Woods and Rainy Lake; amending Minnesota Statutes 1983 Supplement, section 102.26, subdivision 3d.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Lantry introduced-

S.F. No. 1584: A bill for an act relating to retirement; authorizing purchase of service credit in the public employees retirement association by a certain employee of the St. Paul bureau of health.

Referred to the Committee on Governmental Operations.

Ms. Reichgott and Mr. Schmitz introduced-

S.F. No. 1585: A bill for an act relating to the legislature; establishing a legislative commission on metropolitan affairs and defining its powers and responsibilities; proposing new law coded in Minnesota Statutes, chapter 3.

Referred to the Committee on Local and Urban Government.

Ms. Reichgott, Messrs. Nelson, Luther and Pehler introduced-

S.F. No. 1586: A bill for an act relating to education; providing additional funding for certain technology demonstration site proposals; appropriating

money.

Referred to the Committee on Education.

Mr. Merriam introduced—

S.F. No. 1587: A bill for an act relating to game and fish; exempting certain aged and disabled Minnesota residents from small game and deer license fees; amending Minnesota Statutes 1982, section 98.47, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced-

S.F. No. 1588: A bill for an act relating to the environment; clarifying a definition in the Environmental Response and Liability Act; amending Minnesota Statutes 1983 Supplement, section 115B.02, subdivision 15.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1589: A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced-

S.F. No. 1590: A bill for an act relating to natural resources; imposing a penalty on the owner or keeper of a dog that kills or harasses a domestic animal; authorizing peace officers to kill dogs endangering big game; prohibiting damages against a peace officer or conservation officer who kills a dog; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Adkins introduced-

S.F. No. 1591: A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

Referred to the Committee on Education.

Mrs. Adkins and Mr. Schmitz introduced-

S.F. No. 1592: A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Pehler introduced—

S.F. No. 1593: A bill for an act relating to state government; providing for the addition of a member, 60 years of age or over, to serve as a representative of the older population on certain state boards, commissions, advisory councils, task forces, or committees; proposing new law coded in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations.

Messrs. Frederick, Mehrkens, Renneke, Berg and Benson introduced-

S.F. No. 1594: A bill for an act relating to taxation; providing for early termination of the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced-

S.F. No. 1595: A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Frank introduced-

S.F. No. 1596: A bill for an act relating to taxation; providing a property tax exemption for certain new or expanded facilities; providing a sales tax exemption for materials used in constructing certain new facilities; providing a reduced rate of tax on sales of capital equipment; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1; 297A.02, by adding a subdivision; and 297A.14; proposing new law coded in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dahl introduced—

S.F. No. 1597: A bill for an act relating to local government; establishing a grant program for the planning and provision of joint municipal services by local governmental units; appropriating money; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Local and Urban Government.

Ms. Reichgott, Messrs. Willet; Moe, R.D. and Sieloff introduced-

S.F. No. 1598: A bill for an act relating to courts; establishing a unified trial court with two divisions; abolishing county, county municipal, and conciliation courts; conferring certain powers and duties on the unified trial court; transferring pending cases, records, functions, and personnel of the abolished courts to the district court; providing for election of judges and selection of a chief and assistant chief judge for each judicial district; amending Minnesota Statutes 1983 Supplement, sections 204B.06, subdivi-

sions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3; 204B.36, subdivision 4; 204D.02, subdivision 1; and 204D.08, subdivision 6; and 487.191; proposing new law coded in Minnesota Statutes, chapters 484 and 490; repealing Minnesota Statutes 1982, sections 484.01; 484.011; and 484.69.

Referred to the Committee on Judiciary.

Ms. Reichgott, Messrs. Freeman, Spear and Solon introduced-

S.F. No. 1599: A bill for an act relating to insurance; homeowners; prohibiting household or family exclusions; amending Minnesota Statutes 1982, section 65A.29, by adding a subdivision.

Referred to the Committee on Economic Development and Commerce.

Ms. Berglin introduced-

S.F. No. 1600: A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; amending Minnesota Statutes 1982, section 256D.15; Minnesota Statutes 1983 Supplement, sections 256D.01, subdivision 1; and 256D.111, subdivisions 1, 2, and 5.

Referred to the Committee on Health and Human Services.

Messrs. Dicklich, Solon and Johnson, D.J. introduced-

S.F. No. 1601: A bill for an act relating to the University of Minnesota; conditioning appropriations for the Duluth campus on its administration reporting directly to the Board of Regents or on the Board of Regents' appointment of chief executive officers for the Twin Cities campus and each coordinate campus; proposing new law coded in Minnesota Statutes, chapter 137.

Referred to the Committee on Finance.

Mrs. Lantry introduced—

S.F. No. 1602: A bill for an act relating to taxation; sales; providing that sales price does not include certain franchise fees; amending Minnesota Statutes 1982, section 297A.01, subdivision 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Diessner introduced—

S.F. No. 1603: A bill for an act relating to occupational safety and health; requiring certain information to be given local fire departments; providing a penalty; amending Minnesota Statutes 1982, sections 182.653, by adding a subdivision; 182.666, subdivision 3; Minnesota Statutes 1983 Supplement, sections 182.653, subdivision 4a; and 182.668, subdivisions 1 and 5.

Referred to the Committee on Employment.

Messrs. Samuelson and Lessard introduced—

S.F. No. 1604: A bill for an act relating to public welfare; extending the community work experience program; amending Minnesota Statutes 1983 Supplement, section 256.737.

Referred to the Committee on Health and Human Services.

Messrs. Merriam, Luther, Dicklich, Berg and Johnson, D.J. introduced-

S.F. No. 1605: A bill for an act relating to taxation; imposing a tax on the transfer of motor vehicles; dedicating the proceeds of the tax for the screening or removal of salvage yards adjacent to trunk highways; appropriating money; amending Minnesota Statutes 1982, section 161.242, subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, chapter 161.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Lessard, Chmielewski, Dicklich, Solon and Johnson, D.J. introduced—

S.F. No. 1606: A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development grants and loans to local units of government; amending Minnesota Statutes 1982, section 298.17.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced-

S.F. No. 1607: A bill for an act relating to retirement; public employees retirement association; vesting period for certain public hospital employees; amending Minnesota Statutes 1982, section 353.34, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Spear and Pogemiller introduced-

S.F. No. 1608: A bill for an act relating to juveniles; providing for enhanced penalties for juveniles adjudicated for driving while under the influence of alcohol or a controlled substance; providing that the juvenile court has original jurisdiction of a child who commits both a traffic and nontraffic offense; amending Minnesota Statutes 1982, section 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8; and Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 3; and 260.193, subdivision 6.

Referred to the Committee on Judiciary.

Messrs. Spear and Pogemiller introduced-

S.F. No. 1609: A bill for an act relating to juveniles; transferring jurisdiction for juvenile traffic offenses to municipal and county court; amending Minnesota Statutes 1982, section 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8; and Minnesota Statutes 1983 Supplement, section 260.193, subdivision 6.

Referred to the Committee on Judiciary.

Messrs. Spear and Pogemiller introduced-

S.F. No. 1610: A bill for an act relating to juveniles; providing for an enhanced penalty for adults convicted of driving while under the influence of alcohol or a controlled substance when they have been adjudicated for the same offense as juveniles; amending Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Sieloff introduced-

S.F. No. 1611: A bill for an act relating to marriage dissolution; regulating child support payments; amending Minnesota Statutes 1982, section 518.17, subdivision 4, and by adding subdivisions; Minnesota Statutes 1983 Supplement, section 518.551, subdivisions 5 and 6; repealing Minnesota Statutes 1983 Supplement, section 518.17, subdivision 5.

Referred to the Committee on Judiciary. Ms. Berglin questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Freeman introduced-

S.F. No. 1612: A bill for an act relating to taxation; imposing an excise tax on the wholesale sales of liquor, beer, and wine; providing for distribution of the proceeds of the tax to meet the cost of chemical dependency programs, control of drunken driving, reimburse victims of alcohol related traffic accidents, and fund programs for victims of sexual attacks and protection of battered or abused women and children; providing penalties; appropriating funds; proposing new law coded in Minnesota Statutes, chapter 340.

Referred to the Committee on Judiciary.

Messrs. Freeman; Moe, R.D.; Johnson, D.J. and Dicklich introduced-

S.F. No. 1613: A bill for an act relating to the Minnesota emergency employment development program; appropriating additional money for the program; delaying its termination; amending Minnesota Statutes 1983 Supplement, sections 268.677; and 268.686.

Referred to the Committee on Finance.

Mr. Spear, Ms. Berglin and Mr. Purfeerst introduced-

S.F. No. 1614: A bill for an act relating to mental health; authorizing establishment of a demonstration project for treatment of compulsive gamblers; appropriating money; proposing new law coded in Minnesota Statutes, chapter 240.

Referred to the Committee on Health and Human Services.

Mr. Vega introduced-

S.F. No. 1615: A bill for an act relating to energy; cogeneration; providing that certain qualifying power facility property is exempt from taxation; providing a small power production and cogeneration equipment tax credit; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision;

Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; and 297A.25, subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Pehler introduced—

S.F. No. 1616: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 9:00 p.m. and 9:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced-

S.F. No. 1617: A bill for an act relating to government finance in this state; increasing the budget reserve account; requiring tax clearance prior to issuance of certain licenses; increasing funding for enterprise zones and allocating certain tax reductions to Duluth; providing an income tax subtraction for foreign earned income; abolishing the surtax; providing export income tax credit; changing the maximum taconite property tax credits and providing for proportionate reductions in certain instances; repealing the unitary method of apportioning the income of multistate businesses for income tax purposes; providing income tax deduction for foreign dividends; providing that certain reimbursements made by taxing districts to railroads are a special levy; abolishing the income tax additional research credit; limiting certain appropriations from the northeast Minnesota economic protection trust fund; setting the 1985 maximum aid distribution for municipalities; establishing a tax amnesty program; appropriating money; amending Minnesota Statutes 1982, sections 273.135, subdivision 2, and by adding a subdivision; 273.1391, subdivision 2, and by adding a subdivision; 275.48; 290.095, subdivision 3; 290.61; 297A.43; 298.225; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 273.1314, subdivision 8; 290.01, subdivision 20b; 290.06, subdivision 2e; 290.07, subdivision 1; 290.17, subdivision 2; 290.21, subdivision 4; 290.34, subdivision 2; 298.293; 298.296, subdivision 2; and 477A.011, subdivision 10; Laws 1983, chapter 342, article 1, section 8; proposing new law coded in Minnesota Statutes, chapters 270 and 290; repealing Minnesota Statutes 1982, section 290.06, subdivision 15; Minnesota Statutes 1983 Supplement, section 290.068, subdivision 6; and Laws 1982, chapter 523, article XXIX, section 6.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad and Mrs. Kronebusch introduced—

S.F. No. 1618: A bill for an act relating to taxation; providing for early termination of the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad and Mrs. Kronebusch introduced-

S.F. No. 1619: A bill for an act relating to taxation; income; providing that certain social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Ms. Peterson, D.C. and Mr. Moe, R.D. introduced-

S.F. No. 1620: A bill for an act relating to housing; creating a demonstration program for temporary housing in the department of economic security; limiting the scope of the temporary housing program in the housing finance agency; appropriating money; amending Minnesota Statutes 1982, section 462A.05, subdivision 20; proposing new law coded in Minnesota Statutes, chapter 268.

Referred to the Committee on Energy and Housing.

Messrs. Pogemiller, Petty, Ms. Reichgott and Mr. Freeman introduced-

S.F. No. 1621: A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, sections 609.52, subdivision 3; and 609.53, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Jude, Storm, Schmitz, Berg and Mrs. Adkins introduced-

S.F. No. 1622: A bill for an act relating to peace officers; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1982, section 352E.04.

Referred to the Committee on Employment.

Messrs. Frederickson; Moe, D.M.; Jude; Renneke and Benson introduced—

S.F. No. 1623: A bill for an act relating to state government; providing expiration dates for legislative commissions; proposing new law coded in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations.

Mr. Benson introduced-

S.F. No. 1624: A bill for an act relating to the city of Rochester; limiting the applicability of the local sales tax; amending Laws 1983, chapter 342, article 19, section 1.

Referred to the Committee on Taxes and Tax Laws.

Mrs. McQuaid, Messrs. Kamrath, Renneke and Langseth introduced-

S.F. No. 1625: A bill for an act relating to taxation; income; providing a subtraction from gross income for social security and certain railroad retire-

ment benefits; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20 and 20b.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schmitz and Lessard introduced-

S.F. No. 1626: A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982, section 168.31, subdivision 3.

Referred to the Committee on Transportation.

Mr. Willet introduced-

S.F. No. 1627: A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin, Mr. Petty and Mrs. Lantry introduced—

S.F. No. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.812, subdivisions 4 and 7, and by adding subdivisions; and 462.357, subdivisions 7, 8, and by adding subdivisions.

Referred to the Committee on Health and Human Services.

Mr. Ramstad introduced-

S.F. No. 1629: A bill for an act relating to insurance; accident and health; regulating the advertising and selling of certain insurance purporting to supplement medicare; proposing new law coded in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1982, sections 62A.31 to 62A.42; and Minnesota Statutes 1983 Supplement, sections 62A.43 and 62A.44.

Referred to the Committee on Economic Development and Commerce.

Messrs. Laidig; Kamrath; Johnson, D.E. and Ramstad introduced-

S.F. No. 1630: A bill for an act relating to crimes; providing that persons convicted of use of a dangerous weapon during commission of a crime will not receive good time credit; providing durational reductions in guideline sentences will not be retroactive; providing that no modification of the sen-

tencing guidelines will go into effect unless approved by the legislature; providing that an offender who spends time in jail as a condition of a stayed sentence may not be credited with the jail time served if the stay is later revoked and the offender is committed to the commissioner of corrections; requiring the sentencing guidelines commission to change the duration of certain presumptive sentences; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.09, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 244.

Referred to the Committee on Judiciary.

Messrs. Knaak; Isackson; Storm; Peterson, D.L. and Ms. Olson introduced—

S.F. No. 1631: A bill for an act relating to state government; eliminating certain investigative and intervention powers of the director of the department of public service; repealing Minnesota Statutes 1982, section 216A.07, subdivision 4; and Minnesota Statutes 1983 Supplement, section 216A.07, subdivision 3.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mrs. Adkins introduced—

S.F. No. 1632: A bill for an act relating to employment; providing job security for volunteer firefighters; proposing new law coded in Minnesota Statutes, chapter 181.

Referred to the Committee on Employment.

Mr. Peterson, C.C. introduced—

S.F. No. 1633: A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced—

S.F. No. 1634: A bill for an act relating to health; removing the requirement of application for a federal waiver for services for the mentally retarded; repealing Minnesota Statutes 1983 Supplement, sections 252.28, subdivision 4; 252.291; 256B.092; 256B.501, subdivisions 1, 4, and 10; 256B.503; and Laws 1983, chapter 312, article 9, sections 10 and 11.

Referred to the Committee on Health and Human Services.

Mr. Peterson, C.C. introduced—

S.F. No. 1635: A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sec-

tions 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty introduced—

S.F. No. 1636: A bill for an act relating to financial institutions; credit unions; authorizing a credit union to establish demand deposits; amending Minnesota Statutes 1983 Supplement, section 52.04, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Mr. Petty introduced-

S.F. No. 1637: A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

Referred to the Committee on Economic Development and Commerce.

Mr. Belanger introduced—

S.F. No. 1638: A bill for an act relating to taxation; income; providing a subtraction for military pension payments; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bernhagen introduced-

S.F. No. 1639: A bill for an act relating to Independent School District No. 464, Grove City; authorizing the transfer of \$80,000 from the capital outlay fund to the general fund; requiring local approval.

Referred to the Committee on Education.

Messrs. Merriam and Pehler introduced—

S.F. No. 1640: A bill for an act relating to hazardous waste management; indemnifying persons liable under the environmental response and liability act; requiring operators to demonstrate financial responsibility; creating a state liability trust fund; imposing a disposal surcharge; appropriating money; proposing new law coded in Minnesota Statutes, chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Waldorf, Ms. Berglin, Mrs. Lantry and Mr. Samuelson introduced-

S.F. No. 1641: A bill for an act relating to medical assistance; providing a rate exemption for intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1983 Supplement, section 256B.501, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Peterson, R.W.; DeCramer and Petty introduced—

S.F. No. 1642: A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using the Intoxilizer 5000 for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of Intoxilizer 5000 breath tests to be admissible into evidence in civil and criminal hearings; authorizing the admission into evidence of certain weight record documents; amending Minnesota Statutes 1982, sections 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivision; 169.851, subdivision 4; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

Referred to the Committee on Judiciary.

Mr. Wegscheid, Ms. Reichgott, Messrs. Pehler, Schmitz and Bernhagen introduced—

S.F. No. 1643: A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

Referred to the Committee on Veterans and General Legislation.

Mr. Spear, Ms. Berglin, Messrs. Pogemiller and Knaak introduced—

S.F. No. 1644: A bill for an act relating to state departments and agencies; creating an independent office of ombudsman for vocational rehabilitation; proposing new law coded in Minnesota Statutes, chapter 129A.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen and Frederickson introduced—

S.F. No. 1645: A bill for an act relating to state lands; transferring to Renville county the picnic grounds area of Birch Coulee battlefield state historic site; appropriating money; amending Minnesota Statutes 1982, section 138.025, subdivision 11.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Frederickson; Peterson, D.L.; Isackson; Kamrath and Bernhagen introduced—

S.F. No. 1646: A bill for an act relating to education; modifying levy provisions for certain school districts; requiring reductions of certain levies for certain school districts; appropriating money; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivisions 2e and 5b; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

Referred to the Committee on Education.

Mr. Jude introduced-

S.F. No. 1647: A bill for an act relating to taxation; transferring insurance

gross premium tax administration to the department of revenue; changing penalty and interest provisions; deleting obsolete provisions and making clarifications; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.199; 69.021, subdivisions 1 and 3; 69.58; 69.59; 72A.061, subdivision 1; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivisions 11 and 12; 60A.198, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, section 69.031, subdivision 6.

Referred to the Committee on Governmental Operations.

Mr. Anderson introduced—

S.F. No. 1648: A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Samuelson, Berg and DeCramer introduced—

S.F. No. 1649: A bill for an act relating to agriculture; making certain changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Taylor introduced-

S.F. No. 1650: A bill for an act relating to commerce; prohibiting chain or pyramid distributor schemes; prescribing penalties; providing remedies; proposing new law coded in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 1982, section 325F.69, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Knaak, Mses. Olson, Reichgott, Messrs. Freeman and Storm introduced—

S.F. No. 1651: A bill for an act relating to taxation; exempting from the sales tax certain purchases by nonprofit community service organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dahl; Johnson, D.J.; Laidig and Moe, R.D. introduced-

S.F. No. 1652: A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

Referred to the Committee on Economic Development and Commerce.

Mr. Dicklich introduced—

S.F. No. 1653: A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

Referred to the Committee on Health and Human Services.

Messrs. Dieterich, Knaak, Novak and Hughes introduced-

S.F. No. 1654: A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Bertram introduced-

S.F. No. 1655: A bill for an act relating to public safety; providing for use of a portion of the proceeds of the tobacco tax; amending Minnesota Statutes 1982, section 297.13, subdivision 1.

Referred to the Committee on Veterans and General Legislation.

Messrs, Dieterich, DeCramer, Frank and Novak introduced—

S.F. No. 1656: A bill for an act relating to communications; providing conditions for extension of cable communications service outside the boundaries of a core service unit; amending Minnesota Statutes 1982, section 238.17, subdivision 1.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Berg introduced-

S.F. No. 1657: A bill for an act relating to elections; regulating lobbyist and candidate activities and contributions; proposing new law coded in Minnesota Statutes, chapter 10A.

Referred to the Committee on Elections and Ethics.

Mr. Berg introduced-

S.F. No. 1658: A bill for an act relating to crimes; barring perpetrators of crimes from bringing civil actions to recover for injuries suffered during the course of criminal conduct; amending Minnesota Statutes 1983 Supplement, section 611A.01; proposing new law coded in Minnesota Statutes, chapter 611A.

Referred to the Committee on Judiciary.

Mr. Solon introduced-

S.F. No. 1659: A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Solon introduced—

S.F. No. 1660: A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

Referred to the Committee on Energy and Housing. Mr. Schmitz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Laidig and Mrs. Adkins introduced-

S.F. No. 1661: A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

Referred to the Committee on Energy and Housing.

Messrs. Schmitz, Wegscheid, Novak, Renneke and Jude introduced—

S.F. No. 1662: A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties for mixed municipal solid waste disposal facilities; amending Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Renneke introduced-

S.F. No. 1663: A bill for an act relating to drainage; changing the fee for mailing certain notices; amending Minnesota Statutes 1982, section 106.531.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Renneke introduced-

S.F. No. 1664: A bill for an act relating to agriculture; warehouses; imposing duties upon termination or change in management of grain warehouse operations; amending Minnesota Statutes 1982, section 232.23, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 233.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Renneke introduced-

S.F. No. 1665: A bill for an act relating to education; repealing revenue equity aid subtraction; undoing its effects; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

Referred to the Committee on Education.

Mrs. McQuaid, Ms. Olson and Mr. Kamrath introduced-

S.F. No. 1666: A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Storm, Lessard and Ramstad introduced-

S.F. No. 1667: A bill for an act relating to veterans; clarifying certain veteran benefit definitions to include veterans who have served in Grenada or with the peacekeeping forces in Lebanon; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

Referred to the Committee on Veterans and General Legislation.

Ms. Berglin introduced—

S.F. No. 1668: A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

Referred to the Committee on Judiciary.

Messrs. Peterson, R.W.; Merriam; Chmielewski; Taylor and Willet introduced—

S.F. No. 1669: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands and interests in land acquired for trail purposes which are no longer needed for trail purposes and which are located in certain cities.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, R.W. and Merriam introduced—

S.F. No. 1670: A bill for an act relating to natural resources; allocating proceeds of sales of certain surplus state lands to a land acquisition account; appropriating money; amending Minnesota Statutes 1982, sections 84.085; 84A.53; 84A.54; and 94.16.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, R.W.; Merriam and Willet introduced—

S.F. No. 1671: A bill for an act relating to tax-forfeited lands; modifying certain limitations on the sale of tax-forfeited land which borders on or is adjacent to certain waters; amending Minnesota Statutes 1982, section 282.018.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, C.C.; Renneke; Frederickson; Spear and Moe, D.M. introduced—

S.F. No. 1672: A bill for an act relating to retirement; teachers; increasing employer additional contributions for deficit amortization purposes; amending Minnesota Statutes 1982, section 354.42, subdivision 5.

Referred to the Committee on Governmental Operations.

Messrs. Isackson, Renneke, Storm and Mrs. Kronebusch introduced-

S.F. No. 1673: A bill for an act relating to horse racing; establishing a pari-mutuel horse racing account in the general fund; providing for certain annual appropriations from that account; proposing new law coded in Minnesota Statutes, chapter 240.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Isackson, Kamrath, Anderson, Frederickson and Peterson, D.L. introduced—

S.F. No. 1674: A bill for an act relating to taxation; income; reinstating pollution control and feedlot pollution control credits; amending Minnesota Statutes 1982, section 290.06, by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Frank introduced-

S.F. No. 1675: A bill for an act relating to intoxicating liquor; prohibiting sale in proximity to public school buildings or grounds; amending Minnesota Statutes 1982, section 340.14, subdivision 3.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. DeCramer introduced—

S.F. No. 1676: A bill for an act relating to natural resources; providing that certain appropriations for the southern Minnesota river basin area grants are available until expended.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Peterson, D.C.; Messrs. Hughes, Merriam, Renneke and Nelson introduced—

S.F. No. 1677: A bill for an act relating to education; extending services to handicapped children from birth; amending Minnesota Statutes 1982, section 120.17, subdivisions 1, 2, 3a, and by adding subdivisions; and Minnesota Statutes 1983 Supplement, section 120.17, subdivision 3.

Referred to the Committee on Education.

Mr. Ulland introduced-

S.F. No. 1678: A bill for an act relating to natural resources; requiring legislative approval of certain peat land leases; amending Minnesota Statutes

1982, section 92.50, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Ulland introduced—

S.F. No. 1679: A bill for an act relating to local government; providing for the disposition of certain fines; amending Minnesota Statutes 1983 Supplement, section 487.33, subdivision 5.

Referred to the Committee on Judiciary.

Mr. Storm, Mrs. Kronebusch, Mr. Moe, D.M. and Mrs. Lantry introduced-

S.F. No. 1680: A bill for an act relating to marriage; authorizing a married woman to use her former surname; proposing new law coded in Minnesota Statutes, chapters 325G and 517.

Referred to the Committee on Judiciary.

Ms. Peterson, D.C. introduced—

S.F. No. 1681: A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 2.

Referred to the Committee on Energy and Housing.

Messrs, Ulland and Isackson introduced-

S.F. No. 1682: A bill for an act proposing an amendment to the Minnesota Constitution relating to the legislature; amending article IV to provide for initiative and referendum.

Referred to the Committee on Elections and Ethics. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Wegscheid introduced-

S.F. No. 1683: A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Energy and Housing.

Mr. Ulland introduced—

S.F. No. 1684: A bill for an act relating to retirement; authorizing the purchase of prior service credit in the teachers retirement association by a certain member of the public employees retirement fund.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced-

S.F. No. 1685: A bill for an act relating to public welfare; directing the

commissioner of public welfare to assess the need for home and community-based services for disabled persons under the age of 65 and apply for a waiver under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1686: A bill for an act relating to vital statistics; providing for collection of statistical data concerning the dissolution or annulment of marriage; appropriating money; amending Minnesota Statutes 1982, section 144.224; proposing new law coded in Minnesota Statutes, chapter 518.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 1687: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Employment.

Mr. DeCramer introduced—

S.F. No. 1688: A bill for an act relating to agriculture; providing for the control of pseudorabies in swine; appropriating money; amending Minnesota Statutes 1983 Supplement, section 35.255.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Anderson, Lessard and Berg introduced—

S.F. No. 1689: A bill for an act relating to taxation; providing an income tax credit for gasoline or special fuel used in motorboats; amending Minnesota Statutes 1983 Supplement, sections 290.06, subdivision 13; 296.18, subdivision 1; and 296.421, subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Frederickson and DeCramer introduced-

S.F. No. 1690: A bill for an act relating to professional licensing; requiring certification of hydrologists appearing in certain hearings or proceedings; proposing new law coded in Minnesota Statutes, chapters 105 and 326.

Referred to the Committee on Economic Development and Commerce. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Frederickson, Kamrath, DeCramer and Isackson introduced—

S.F. No. 1691: A bill for an act relating to public welfare; instructing the revisor to update language concerning persons with developmental disabili-

ties.

Referred to the Committee on Health and Human Services.

Mrs. McQuaid, Ms. Olson and Mr. Lessard introduced-

S.F. No. 1692: A bill for an act relating to elections; requiring timely mailing of absentee ballots to certain voters; amending Minnesota Statutes 1982, section 203B.22.

Referred to the Committee on Elections and Ethics.

Messrs. Mehrkens, Isackson and Frederickson introduced—

S.F. No. 1693: A bill for an act relating to taxation; property; changing the state school agricultural credit; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sieloff and Ms. Olson introduced—

S.F. No. 1694: A bill for an act relating to taxation; income; allowing spouses to apportion the federal tax deduction as they elect; amending Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Anderson and Storm introduced-

S.F. No. 1695: A bill for an act relating to taxation; income; changing the pension exclusion; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff and Ulland introduced-

S.F. No. 1696: A bill for an act relating to taxation; providing for a tax amnesty program; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff and Ulland introduced-

S.F. No. 1697: A bill for an act relating to taxation; income; allowing a final deduction in 1984 for certain taxes paid in 1981 or 1982 tax year; amending Minnesota Statutes 1983 Supplement, section 290.18, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Ramstad, Ulland and Sieloff introduced—

S.F. No. 1698: A bill for an act relating to taxation; income; repealing the unitary method of apportioning the income of multistate businesses; amending Minnesota Statutes 1982, section 290.095, subdivision 3; Minnesota

Statutes 1983 Supplement, sections 290.07, subdivision 1; 290.17, subdivision 2; 290.21, subdivision 4; 290.34, subdivision 2; repealing Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs, Novak and DeCramer introduced—

S.F. No. 1699: A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, 5, and 6; 221.071, subdivision 1; 221.121, subdivisions 1 and 5; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

Referred to the Committee on Transportation.

Messrs. Storm and Knaak introduced-

S.F. No. 1700: A bill for an act relating to crimes; requiring joint trials for defendants charged with the same offense; providing an exception to the joint trial requirement; proposing new law coded in Minnesota Statutes, chapter 631.

Referred to the Committee on Judiciary.

Mr. DeCramer introduced—

S.F. No. 1701: A bill for an act relating to vocational-technical education; permitting South Dakota residents to attend Minnesota postsecondary vocational-technical schools at Minnesota resident tuition rates; amending Minnesota Statutes 1982, section 124,565, by adding a subdivision.

Referred to the Committee on Education.

Mr. Schmitz introduced-

S.F. No. 1702: A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 373.28.

Referred to the Committee on Local and Urban Government.

Mr. Novak introduced-

S.F. No. 1703: A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; trans-

ferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 221.295; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, by adding subdivisions; 473.449; Minnesota Statutes 1983 Supplement, sections 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 473.121, subdivisions 9 and 16; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; 474.265; 474.31.

Referred to the Committee on Transportation.

Mr. Ulland introduced-

S.F. No. 1704: A bill for an act relating to taxation; appropriating money to make certain property tax refunds to railroads.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson, D.E. introduced—

S.F. No. 1705: A bill for an act relating to taxation; repealing the aggregate tax for Stearns, Stevens, and Pope counties; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson, D.E. introduced-

S.F. No. 1706: A bill for an act relating to taxation; exempting from the sales tax certain sales by nonprofit organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Isackson, Bertram, Davis, Chmielewski and Mehrkens introduced-

S.F. No. 1707: A bill for an act relating to taxation; exempting county fair boards from collection of sales tax on admission to certain entertainment events; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced-

S.F. No. 1708: A bill for an act relating to the legislature; extending the

laws on post-auditing, attribution of published documents, ethics, and open meetings now relating just to the executive branch to include the legislative branch; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 16.81; 43A.38; and 471.705, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Laidig introduced---

S.F. No. 1709: A bill for an act relating to state departments and agencies; moving the state archaeologist from the historical society to the University of Minnesota; amending Minnesota Statutes 1982, sections 138.31, subdivisions 2, 5, 9, 10, and by adding a subdivision; 138.33; 138.34; 138.35; 138.36; 138.37, subdivision 2; 138.38; 138.39; 138.40; and 138.41; repealing Minnesota Statutes 1982, sections 138.31, subdivision 8; and 138.37, subdivision 3.

Referred to the Committee on Governmental Operations.

Mr. Laidig introduced-

S.F. No. 1710: A bill for an act relating to taxation; property; providing a two-year exemption for certain new residential construction; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laidig and Mrs. McQuaid introduced-

S.F. No. 1711: A bill for an act relating to crimes; requiring the sentencing guidelines commission to amend the dispositional line on the sentencing guidelines grid; proposing new law coded in Minnesota Statutes, chapter 244.

Referred to the Committee on Judiciary.

Mr. Laidig introduced-

S.F. No. 1712: A bill for an act relating to local government aids; amending the distribution formula; amending Minnesota Statutes 1983 Supplement, section 477A.011, subdivision 10.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced—

S.F. No. 1713: A bill for an act relating to crimes; authorizing the commissioner of corrections to bring a civil action to collect felony fines; exempting indigent inmates from imprisonment for failure to pay felony fines; providing that revenue from felony fines shall be used to finance the operation of correctional institutions; appropriating money; proposing new law coded in Minnesota Statutes, chapter 574.

Referred to the Committee on Health and Human Services. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mrs. McQuaid introduced-

S.F. No. 1714: A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

Referred to the Committee on Energy and Housing.

Mrs. McQuaid introduced-

S.F. No. 1715: A bill for an act relating to state government; requiring each agency and the legislature to make an annual report on travel; requiring legislators to report foreign travel expenses to the ethical practices board; proposing new law coded in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations.

Mrs. McQuaid and Mr. Sieloff introduced-

S.F. No. 1716: A bill for an act relating to taxation; income; allowing a credit for energy conservation expenditures; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 14.

Referred to the Committee on Energy and Housing.

Mrs. McQuaid introduced-

S.F. No. 1717: A bill for an act relating to metropolitan government; changing procedures for appointment of metropolitan council members; amending Minnesota Statutes 1982, section 473.123, by adding subdivisions; Minnesota Statutes 1983 Supplement, section 473.123, subdivisions 3 and 3a; repealing Minnesota Statutes 1983 Supplement, section 473.123, subdivision 2a.

Referred to the Committee on Local and Urban Government.

Mr. Johnson, D.E. introduced—

S.F. No. 1718: A bill for an act relating to taxation; changing the disposition of proceeds for the city lodging tax; amending Minnesota Statutes 1983 Supplement, section 477A.018, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Ms. Olson introduced—

S.F. No. 1719: A bill for an act relating to taxation; property; providing that certain instruments may be recorded without an auditor's certificate; amending Minnesota Statutes 1982, section 272.12.

Referred to the Committee on Taxes and Tax Laws. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Sieloff introduced-

S.F. No. 1720: A bill for an act relating to hazardous waste management;

providing state liability after termination of a hazardous waste facility operator's liability; defining responsible person; excluding certain hazardous waste from taxation; amending Minnesota Statutes 1983 Supplement, sections 115B.03, by adding a subdivision; 115B.22, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Diessner and Laidig introduced-

S.F. No. 1721: A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davis and Luther introduced-

S.F. No. 1722: A bill for an act relating to agriculture; requiring agricultural land preservation planning and official controls outside of the metropolitan area; establishing agricultural land preservation and conservation awareness and assistance programs; allowing valuation of agricultural land on the basis of productivity and net earning capacity; creating a legislative commission on agricultural land preservation and conservation; authorizing a special levy; creating a cost-sharing account in the state treasury; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

Referred to the Committee on Agriculture and Natural Resources.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Solon moved that the name of Mr. Diessner be added as a co-author to S.F. No. 909. The motion prevailed.

Mr. Mehrkens moved that the his name be stricken as chief author, shown as a co-author and the name of Mr. Bertram be added as chief author to S.F. No. 961. The motion prevailed.

Mr. Pehler moved that the name of Mr. Willet be added as a co-author to S.F. No. 1240. The motion prevailed.

Mr. Benson moved that the name of Mr. Ulland be added as a co-author to S.F. No. 1278. The motion prevailed.

Mr. Laidig moved that the names of Messrs. Moe, D.M. and Wegscheid be added as co-authors to S.F. No. 1325. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1327. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Knutson be added as a co-author to S.F. No. 1332. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1335. The motion prevailed.

Mr. Pogemiller moved that the names of Messrs. Ramstad and Wegscheid

be added as co-authors to S.F. No. 1336. The motion prevailed.

Ms. Berglin moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1337. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1352. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1356. The motion prevailed.

Mr. Laidig moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1362. The motion prevailed.

Mr. Pogemiller moved that the names of Messrs. Freeman and Ramstad be added as co-authors to S.F. No. 1368. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1372. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1373. The motion prevailed.

Mr. Ulland moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1383. The motion prevailed.

Mr. Lessard moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1403. The motion prevailed.

Mr. Davis moved that the name of Ms. Olson be added as a co-author to S.F. No. 1406. The motion prevailed.

Mr. Peterson, C.C. moved that the names of Messrs. Stumpf; Johnson, D.J. and Schmitz be added as co-authors to S.F. No. 1428. The motion prevailed.

Mr. Merriam moved that the name of Mr. Kamrath be added as a co-author to S.F. No. 1432. The motion prevailed.

Mr. Lessard moved that the name of Mr. Langseth be added as a co-author to S.F. No. 1433. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1439. The motion prevailed.

Mr. Wegscheid moved that the names of Messrs. DeCramer, Davis and Bernhagen be added as co-authors to S.F. No. 1450. The motion prevailed.

Mr. Jude moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1456. The motion prevailed.

Mr. Stumpf moved that the names of Messrs. Langseth and Peterson, C.C. be added as co-authors to S.F. No. 1457. The motion prevailed.

Mr. Petty moved that the names of Messrs. Ramstad and Merriam be added as co-authors to S.F. No. 1460. The motion prevailed.

Mr. Storm moved that the names of Messrs. Moe, R.D.; Ramstad and Merriam be added as co-authors to S.F. No. 1465. The motion prevailed.

Mr. Lessard moved that the names of Messrs. Bertram and Schmitz be added as co-authors to S.F. No. 1466. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Solon be added as a co-author to S.F. No. 1506. The motion prevailed.

Mr. Freeman moved that the names of Messrs. Nelson, Mehrkens and Mrs. Lantry be added as co-authors to S.F. No. 1512. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Ramstad and Johnson, D.J. be added as co-authors to S.F. No. 1514. The motion prevailed.

Mr. Freeman moved that the names of Ms. Peterson, D.C. and Mr. Ramstad be added as co-authors to S.F. No. 1515. The motion prevailed.

Mr. Freeman moved that the names of Messrs. Spear, Nelson, Solon and Ramstad be added as co-authors to S.F. No. 1519. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1521. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1552. The motion prevailed.

Mr. Merriam moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1554. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Spear be added as a co-author to S.F. No. 1560. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Spear be added as a co-author to S.F. No. 1561. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Pogemiller, Willet, Ms. Reichgott and Mr. Berg be added as co-authors to S.F. No. 1579. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1581. The motion prevailed.

Mr. Peterson, C.C. moved that the names of Messrs. Wegscheid and Lessard be added as co-authors to S.F. No. 1583. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1586. The motion prevailed.

Mr. Spear moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1608. The motion prevailed.

Mr. Spear moved that the name of Mr. Freeman be added as a co-author to S.F. No. 1610. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Benson be added as a co-author to S.F. No. 1641. The motion prevailed.

Mr. Isackson moved that his name be stricken as a co-author to S.F. No. 1267. The motion prevailed.

Mr. Jude moved that S.F. No. 1107 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Peterson, C.C. moved that S.F. No. 1409 be withdrawn from the Committee on Agriculture and Natural Resources and returned to its author.

The motion prevailed.

Mr. Pehler moved that S.F. No. 1488 be withdrawn from the Committee on Governmental Operations and returned to its author. The motion prevailed.

Mr. Jude introduced-

Senate Concurrent Resolution No. 13: A Senate concurrent resolution relating to the permanent joint rules of the Senate and House of Representatives; creating a budget committee in each house; providing new procedures for consideration of the budget; regulating the consideration of appropriation and taxation measures by the legislature.

Referred to the Committee on Rules and Administration.

Mr. Benson introduced—

Senate Resolution No. 62: A Senate resolution congratulating the Southland High School football team for its victory in the 1983 state football tournament.

Referred to the Committee on Rules and Administration.

Mr. Pehler introduced-

Senate Resolution No. 63: A Senate resolution relating to the proclamation of Handicapped Awareness Week.

Referred to the Committee on Rules and Administration.

Mr. Bernhagen introduced-

Senate Resolution No. 64: A Senate resolution congratulating the Tigers from Hutchinson High School for winning the 1983 Class A State High School Football Championship.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced-

Senate Resolution No. 65: A Senate resolution congratulating George Stockman for over 30 years of dedicated and effective service to the youth of Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Ulland introduced-

Senate Resolution No. 66: A Senate resolution proposing a study of state income tax and property tax refund forms.

Referred to the Committee on Rules and Administration.

Mr. Moe. R.D. introduced-

Senate Resolution No. 67: A Senate resolution providing for Senate committee assignments.

BE IT RESOLVED, by the Senate:

That Senate Resolution No. 3 relating to standing committees of the Senate for the 73rd Session, Senate Journal, January 4, 1983, pages 11-14, be amended as follows:

Employment — 14 13

Delete: Peterson, C.C.

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced-

Senate Resolution No. 68: A Senate resolution relating to postage.

BE IT RESOLVED, by the Senate:

For the 1984 session of the 73rd Legislature, the Secretary of the Senate may purchase postage to furnish each member of the Senate 3,000 stamps. Each member named as chairman of a standing committee in the Senate resolution designating committee assignments may be furnished with an additional 1,000 stamps for the necessary business of the committee.

An additional postage allowance of 1,000 stamps is authorized for the Senate Minority Leader; four other members of the minority designated by the Senate Minority Leader; and four members of the majority designated by the Senate Majority Leader.

Each member of the Senate shall receipt to the Secretary of the Senate for the postage received.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Samuelson
Anderson	Diessner	Knutson	Nelson	Schmitz
Belanger	Dieterich	Kroening	Novak	Sieloff
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, D. L.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Renneke	Willet

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Resolution No. 69: A Senate resolution relating to expenses of in-

BE IT RESOLVED, by the Senate:

For the 1984 Session of the 73rd Legislature, each member of the Senate

may be reimbursed for the cost of meals and transportation furnished by the member to any volunteer interns assisting with the member's work, up to a maximum of \$35 during each week the legislature is in session.

Requests for reimbursement shall be submitted to the Secretary of the Senate monthly on forms provided for this purpose and shall include a certification by the member that the amounts for which reimbursement is sought have been paid to the interns.

The Secretary of the Senate shall prepare and issue warrants for payment of intern expenses from the Senate legislative expense fund.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Samuelson
Anderson	Diessner	Knutson	Nelson	Schmitz
Belanger	Dieterich	Kroening	Novak	Sieloff
Benson	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, D.L.	Taylor
Brataas	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Renneke	Willet

The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. introduced—

Senate Concurrent Resolution No. 14: A Senate concurrent resolution relating to Joint Rules; deadlines in even-numbered years; amending Joint Rule 2.03.

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring therein:

That Joint Rule 2.03 be amended to read:

Rule 2.03. (a) In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after the sixth Friday prior to the last Friday on which the Legislature can meet in regular session [April 8, 1983], and committee reports on bills originating in the other house favorably acted upon by a committee after the Monday before the third Friday prior to the last Friday on which the Legislature can meet in regular session [April 25, 1983] shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after the earlier date and by the later date set by this paragraph acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

Conference Committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [May 19, 1983]. After the last Friday on which the Legislature can meet in regular session [May 20, 1983], neither house shall act on bills other than those contained in:

- (1) Reports of Conference Committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
 - (4) Messages from the Governor.
- (b) In even-numbered years the legislature shall establish by concurrent resolution deadlines comparable to those set by paragraph (a) based on the date intended to be the date of adjournment sine die.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Schmitz
Anderson	Diessner	Knutson	Nelson	Sieloff
Belanger	Dieterich	Kroening	Novak	Solon
Benson	Frank	Kronebusch	Olson	Spear
Berg	Frederick	Laidig	Pehler	Storm
Berglin	Frederickson	Langseth	Peterson, C.C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, D.L.	Taylor
Bertram	Hughes	Lessard	Petty	Ulland
Brataas	Isackson	Luther	Pogemiller	Vega
Chmielewski	Johnson, D.E.	McOuaid	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Reichgott	Wegscheid
Davis	Jude	Merriam	Renneke	Willet
DeCramer	Kamrath	Moe. D. M.	Samuelson	

The motion prevailed. So the resolution was adopted.

Mr. Moe. R.D. introduced—

Senate Concurrent Resolution No. 15: A Senate concurrent resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

WHEREAS, Joint Rule 2.03, paragraph (b) requires the legislature to establish session deadline dates for even-numbered year sessions; NOW, THEREFORE.

BE IT RESOLVED by the Senate of the State of Minnesota, the House of Representatives concurring therein, that committee reports on bills favorably acted upon by a committee in the house of origin after Friday, March 30, 1984, and committee reports on bills originating in the other house favorably acted upon by a committee after Monday, April 9, 1984, shall be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee, after the earlier date and by the later date set by this paragraph, acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This

requirement does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

After Monday, April 16, 1984, neither house shall act on bills other than those contained in:

- (1) Reports of conference committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
 - (4) Messages from the governor.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Schmitz
Anderson	Diessner	Knutson	Novak	Sieloff
Belanger	Dieterich	Kroening	Olson	Solon
Benson	Frank	Kronebusch	Pehler	Spear
Berg	Frederick	Laidig	Peterson, C.C.	Storm
Berglin	Frederickson	Langseth	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, D.L.	Taylor
Bertram	Hughes	Lessard	Petty	Ulland
Brataas	Isackson	Luther	Pogemiller	Vega
Chmielewski	Johnson, D.E.	McOuaid	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Reichgott	Wegscheid
Davis	Jude	Merriam	Renneke	Willet
DeCramer	Kamrath	Moe, D. M.	Samuelson	·

The motion prevailed. So the resolution was adopted.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 8, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SECOND DAY

St. Paul, Minnesota, Thursday, March 8, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Thomas J. Nielsen.

The roll was called, and the following Senators answered to their names:

Adkins	Dicklich	Knaak	Moe, R.D.	Samuelson
Anderson	Diessner	Kroening	Novak	Schmitz
Belanger	Dieterich	Kronebusch	Olson	Sieloff
Berg	Frank	Laidig	Pehler	Solon
Berglin	Frederick	Langseth	Peterson, D.C.	Spear
Bernhagen	Frederickson	Lantry	Peterson, D.L.	Storm
Bertram	Freeman	Lessard	Peterson, R.W.	Stumpf
Brataas	Hughes	Luther	Petty	Taylor
Chmielewski	Isackson	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, D.M.	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Benson; Johnson, D.J.; Nelson; Ramstad and Waldorf were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

February 10, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

George Frederick Klein, Jr., 18125 Highland Ave., Deephaven, Hennepin County, has been appointed by me, effective February 10, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Governmental Operations.)

March 1, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State University Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Rita M. Lewis, 701 W. Howard, Winona, Winona County, has been appointed by me, effective February 19, 1983, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

March 1, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State University Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Bernard L. Brommer, 678 Greenway Ave. N., Oakdale, Washington County, has been appointed by me, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

March 4, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board for Community Colleges are hereby respectfully submitted to the Senate for confirmation as required by law:

Clarence E. Harris, 2030 Fairview Ave. N., Roseville, Ramsey County, has been appointed by me, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

Arleen Nycklemoe, Route 6, Box 134, Minnehuta Dr., Fergus Falls, Otter Tail County, has been appointed by me, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

March 25, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Environmental Quality Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Barbara L. Hughes, 548 Rice Creek Ter., Fridley, Anoka County, has been appointed by me, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Mary A. Arneson, 4754 Upton Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Agriculture and Natural Resources.)

March 25, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Pollution Control Agency are hereby respectfully submitted to the Senate for confirmation as required by law:

Janet Green, 10550 Old North Shore Rd., Duluth, St. Louis County, has been appointed by me, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Edward Fairbanks, Route 3, Box 867, Bemidji, Beltrami County, has been appointed by me, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

Steve J. Gadler, 2120 Carter Ave., St. Paul, Ramsey County, has been appointed by me, effective March 25, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Agriculture and Natural Resources.)

April 4, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

Rebecca L. Sawyer, 3990 Upper 71st E., Inver Grove Heights, Dakota County, has been appointed by me, effective April 4, 1983, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

April 27, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Coordinating Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Celeste O'Donnell, 6320 Lookout Trl., Stillwater, Washington County,

has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Robert E. Ferguson, 855 Cliff Rd., Eagan, Dakota County, has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Vivian Jenkins Nelsen, 1025 Thomas Ave. N., Minneapolis, Hennepin County, has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

May 18, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Ruth Randall, 5135 - 148th St. W., Apple Valley, Dakota County, has been appointed by me, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

May 23, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Racing Commission are hereby respectfully submitted to the Senate for confirmation as required by law:

Ray Eliot, 14 University Ave. N.E., Minneapolis, Hennepin County, has been appointed by me, effective May 23, 1983, for a term expiring June 30, 1989.

C. Elmer Anderson, 624 N. 3rd St., Brainerd, Crow Wing County, has been appointed by me, effective May 23, 1983, for a term expiring June 30, 1987.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

May 31, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Housing Finance Agency are hereby respectfully submitted to the Senate for confirmation as required by law:

Robert A. Worthington, 10326 Colorado Rd., Bloomington, Hennepin

County, has been appointed by me, effective May 31, 1983, for a term expiring the first Monday in January, 1987.

Demetrius G. Jelatis, 1161 Oak St., Red Wing, Goodhue County, has been appointed by me, effective May 31, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Energy and Housing.)

June 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Energy and Economic Development is hereby respectfully submitted to the Senate for confirmation as required by law:

Mark Dayton, 4225 E. Lake Harriet Blvd., Minneapolis, Hennepin County, has been appointed by me, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Economic Development and Commerce.)

June 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Board of Animal Health are hereby respectfully submitted to the Senate for confirmation as required by law:

Jack Delaney, Rural Route #1, Lake Benton, Lincoln County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Herbert Halvorson, Rural Route #2, Hanska, Brown County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Agriculture and Natural Resources.)

June 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Board on Judicial Standards are hereby respectfully submitted to the Senate for confirmation as required by law:

Janna Roderick Merrick, 230 York Ave., Elk River, Sherburne County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Raul O. Salazar, 5620 Smetana Dr., Minnetonka, Hennepin County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Judiciary.)

June 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Minnesota Water Resources Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Georgia L. Holmes, 414 South Ave., North Mankato, Nicollet County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Agriculture and Natural Resources.)

June 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Ethical Practices Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Judith G. Schotzko, Rural Route #1, Blue Earth, Faribault County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Jeff Bertram, Route 1, Box 88, Paynesville, Stearns County, has been appointed by me, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Elections and Ethics.)

June 8, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Richard F. Whiteman, 3500 E. Third St., Duluth, St. Louis County, has been appointed by me, effective June 8, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Governmental Operations.)

June 16, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Metropolitan Council are hereby respectfully submitted to the Senate for confirmation as required by law:

Liz (Mary E.) Anderson, 914 Parkview, St. Paul, Ramsey County, has been appointed by me, effective June 16, 1983, for a term expiring the first

Monday in January, 1985.

Dirk DeVries, 18600 Woolman Dr., Minnetonka, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Patricia Hasselmo, 4520 Strawberry Ln., Golden Valley, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Mary M. Hauser, 616 Hall Ave., Birchwood, Washington County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Josephine D. Nunn, 401 Elm Creek Rd., Champlin, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Carol Wold Sindt, 1323 Bayard Ave., St. Paul, Ramsey County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Charles W. Wiger, 2630 E. Burke Ave., North St. Paul, Ramsey County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Local and Urban Government.)

June 16, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Metropolitan Council is hereby respectfully submitted to the Senate for confirmation as required by law:

Alton J. Gasper, 5406 Hampshire Dr., Minneapolis, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Local and Urban Government.)

June 17, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Board of the Arts are hereby respectfully submitted to the Senate for confirmation as required by law:

Siah Armajani, 11 Kenwood Pky., St. Paul, Ramsey County, has been appointed by me, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

Katherine B. Murphy, 3139 S. Rivershore Dr., Moorhead, Clay County, has been appointed by me, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

Carole Risselada Achterhof, Rural Route #2, Luverne, Rock County, has

been appointed by me, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Veterans and General Legislation.)

June 21, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Commerce is hereby respectfully submitted to the Senate for confirmation as required by law:

Michael Hatch, 1042 Naumkeag, Shakopee, Scott County, has been appointed by me, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Economic Development and Commerce.)

June 24, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Muriel Jean Runholt, Route 2, Marshall, Lyon County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

June 24, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Council on Quality Education are hereby respectfully submitted to the Senate for confirmation as required by law:

Stephen P. Raukar, 301 - 1st Ave. S., Kelly Lake, Hibbing, St. Louis County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Marvin Trammel, 1981 Lyman Ln., Wayzata, Hennepin County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Marcy J. Waritz, 1271 Bluff Creek Dr., Chaska, Carver County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Facilities Authority are hereby respectfully submitted to the Senate for confirmation as required by law:

Earl R. Herring, 109 - 14th Ave. S., Moorhead, Clay County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1985.

Carlos Lopez, Jr., 839 Dwane St., South St. Paul, Dakota County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

Emily Anne Staples, 1640 Xanthus Ln., Plymouth, Hennepin County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

June 29, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Veterans' Affairs is hereby respectfully submitted to the Senate for confirmation as required by law:

William J. Gregg, 1719 W. Skillman Ave., St. Paul, Ramsey County, has been appointed by me, effective July 5, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Veterans and General Legislation.)

July 27, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as State Director of Vocational Technical Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Joseph P. Graba, 16826 Stanford St., Forest Lake, Washington County, has been appointed by me, effective August 1, 1983, to serve at the pleasure of the State Board of Vocational Technical Education.

(Referred to the Committee on Education.)

August 9, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Transportation Regulation Board are

hereby respectfully submitted to the Senate for confirmation as required by law:

Roger Laufenburger, Box 338, Lewiston, Winona County, has been appointed by me, effective August 9, 1983, for a term expiring the first Monday in January, 1985.

John E. Moran, 13701 Shirley Dr., Burnsville, Dakota County, has been appointed by me, effective August 9, 1983, for a term expiring the first Monday in January, 1987.

Lorraine Mayasich, 1052 S. Moon Lake Dr., Eveleth, St. Louis County, has been appointed by me, effective August 9, 1983, for a term expiring the first Monday in January, 1989.

(Referred to the Committee on Transportation.)

August 11, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board of Vocational Technical Education are hereby respectfully submitted to the Senate for confirmation as required by law:

Patricia Allinder, 801 S.W. 17th St., Willmar, Kandiyohi County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Alan Olson, 5710 Upper 182nd St., Farmington, Dakota County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Jane Preston, 2145 Lakeview Ave., White Bear Lake, Ramsey County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1985.

Douglas D. Knowlton, 1924 River Rd., East Grand Forks, Polk County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

John O'Connor, 10677 - 114th St., Stillwater, Washington County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

Marilyn Wolfe, 229 Hutter Rd., Gilbert, St. Louis County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

F.B. Daniel, 2056 Timmy St., Mendota Heights, Dakota County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

JoAnn Cardenez Enos, 149 Exeter Pl., St. Paul, Ramsey County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

August 11, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board of Vocational Technical Education are hereby respectfully submitted to the Senate for confirmation as required by law:

Donald C. Ingram, 1003 - 9th St. N.W., Austin, Mower County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1987.

Frank E. Adams, 605 Ramsey St. N.E., Minneapolis, Hennepin County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1988.

Norma McKanna, 612 E. 16th St., Hibbing, St. Louis County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

August 12, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Racing Commission are hereby respectfully submitted to the Senate for confirmation as required by law:

Dan Gustafson, 2932 Jersey Ave. N., Minneapolis, Hennepin County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1987.

John H. Daniels, 2104 Irving Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1987.

Kris Sanda, Route 2, Box 5, Staples, Todd County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1985.

Rosemary T. Fruehling, 4335 Chimo E., Wayzata, Hennepin County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1989.

Carol Connolly, 111 E. Kellogg Blvd., St. Paul, Ramsey County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1989.

Joyce B. Farrell, Route 1, Box 132, Waverly, Wright County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1985.

Lawrence Coss, Route 1, Box 20, Cannon Falls, Goodhue County, has been appointed by me, effective August 12, 1983, for a term expiring June 30, 1985.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

September 12, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Public Utilities Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Cynthia Kitlinski, 9600 Flintwood St. N.W., Coon Rapids, Anoka County, has been appointed by me, effective September 14, 1983, for a term expiring January 1, 1989.

. (Referred to the Committee on Public Utilities and State Regulated Industries.)

September 12, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir.

The following appointment to the Workers' Compensation Court of Appeals is hereby respectfully submitted to the Senate for confirmation as required by law:

Mahlon F. Hanson, 300 Harold Dr., Burnsville, Dakota County, has been appointed by me, effective September 14, 1983, for a term expiring January 1, 1989.

(Referred to the Committee on Employment.)

October 20, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Minnesota Higher Education Coordinating Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Duane Scribner, 49 Arthur Ave. S.E., Minneapolis, Hennepin County, has been appointed by me, effective October 20, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

October 20, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Minnesota Water Resources Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Peggy Lynch, 1621 Beechwood Ave., St. Paul, Ramsey County, has been

appointed by me, effective October 20, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Agriculture and Natural Resources.)

December 3, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Public Utilities Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Harry S. Crump, 10908 Pioneer Dr., Burnsville, Dakota County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1990.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Board of the Arts are hereby respectfully submitted to the Senate for confirmation as required by law:

Karen M. Ransom, 230 Oak Grove St., Minneapolis, Hennepin County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Karen B. Gray, 222 Highway 44 East, Spring Grove, Houston County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Ludmilla Sahlstrom, 106 Golf Terrace Dr., Crookston, Polk County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Veterans and General Legislation.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Board on Judicial Standards is hereby respectfully submitted to the Senate for confirmation as required by law:

Hy Applebaum, 290 Woodlawn, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Judiciary.)

January 3, 1984

President of the Senate

Dear Sir.

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

John Starcevic, 3850 Stinson Blvd. N.E., Columbia Heights, Anoka County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Coordinating Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Carol Joy Kamper, 2204 Valkyrie Dr. N.W., Rochester, Olmsted County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Patricia B. Spence, 120 S.E. First St., Little Falls, Morrison County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Charles F. Mourin, 732 Arrowhead St., Aurora, St. Louis County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Higher Education Facilities Authority are hereby respectfully submitted to the Senate for confirmation as required by law:

Catherine M. Warrick, 2423 Youngman Ave., St. Paul, Ramsey County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

John A. McHugh, 4800 Woodhill Way, Edina, Hennepin County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Minnesota Housing Finance Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Shirley Van Dyck, Route 2, Box 30, Cass Lake, Cass County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Energy and Housing.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Designer Selection Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Mark Anderson, 10320 South Shore Dr., Plymouth, Hennepin County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Governmental Operations.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Ethical Practices Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Mary Smith, 515 N. Ferndale, Wayzata, Hennepin County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Elections and Ethics.)

January 17, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board of Education are hereby respectfully submitted to the Senate for confirmation as required by law:

John B. Buckanaga, 1006 Augusta Dr. N.E., Bemidji, Beltrami County, has been appointed by me, effective January 17, 1984, for a term expiring the first Monday in January, 1988.

Jewell Lewis, 2026 Hazelwood, St. Paul, Ramsey County, has been appointed by me, effective January 18, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Ethical Practices Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Harmon T. Ogdahl, 5026 Morgan Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective February 15, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Elections and Ethics.)

Sincerely, Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has refused to adopt the Conference Committee report on the following Senate File and has voted that the bill be returned to the Senate and to the Conference Committee:

S.F. No. 292: A bill for an act relating to public welfare; defining persons responsible for a child's care under the child abuse reporting law; amending Minnesota Statutes 1982, section 626.556, subdivisions 2, 7, and 10.

Senate File No. 292 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 6, 1984

Mr. Moe, R.D. moved that S.F. No. 292 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 311: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivision 2; 245.783, by adding a subdivision; 245.791; 256B.02, subdivisions 7 and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 245.782, subdivision 2, is amended to read:

Subd. 2. "Person" means an adult who is handicapped by reason of mental

retardation, mental illness, chemical dependency, or physical handicap and; a child, whether handicapped or not; and, for purposes of adult day care and adult foster care, an adult who is functionally impaired.

- Sec. 2. Minnesota Statutes 1982, section 245.782, subdivision 5, is amended to read:
- Subd. 5. "Day care facility" means any facility, public or private, which for gain or otherwise regularly provides one or more persons with care, training, supervision, habilitation, rehabilitation, or developmental guidance on a regular basis, for periods of less than 24 hours per day, in a place other than the person's own home. Day care facilities include, but are not limited to: family day care homes, group family day care homes, day care centers, day nurseries, nursery schools, daytime activity centers developmental achievement centers, day treatment programs, adult day care centers, and day services.
- Sec. 3. Minnesota Statutes 1982, section 245.782, is amended by adding a subdivision to read:
- Subd. 14. "Functionally impaired" means having a condition that includes having substantial difficulty in carrying out one or more of the essential major activities of daily living, such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, working, or having a disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life and requiring support to maintain independence in the community.
 - Sec. 4. Minnesota Statutes 1982, section 245.791, is amended to read:

245.791 [EXCLUSIONS.]

Sections 245.781 to 245.812 shall not apply to:

- (1) Day care or residential care provided by a relative to related persons;
- (2) Day care or residential care provided for a cumulative total of less than 30 days in any 12 month period;
- (3) Day care provided for persons from a single unrelated family for any length of time;
- (4) A home caring for a person placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years after placement;
- (5) A licensed hospital whose psychiatric or chemical dependency program is located within the hospital.
- (6) A nursing home, hospital, or boarding care home, licensed by the state commissioner of health, except that an identifiable unit of such a facility which regularly provides care for more than five handicapped persons adults defined as persons in Minnesota Statutes, section 245.782, subdivision 2, must be licensed under sections 245.781 to 245.812;
- (7) A day care or residential facility serving fewer than five physically or mentally handicapped adults;
 - (8) A day care or residential program serving any number of nonhandi-

eapped adults who are not defined as persons under Minnesota Statutes, section 245.782, subdivision 2;

- (9) (8) A sheltered workshop day program, certified by the state board of education;
- (10) (9) A work activity day program, certified by the state board of education;
- (11) (10) A work-wage home providing care for one nonrelated child who has reached his sixteenth birthday and who has been independently placed for purposes of education or employment;
- (12) (11) A school under the general supervision of the commissioner of education or a local education agency;
- (13) (12) A residential or day care facility under the direct control and supervision of a local education agency or a state agency other than the commissioner;
- (14) (13) Day care provided for periods of no more than three hours per day for any person while his relatives are in the same building, or can be present in the same building within 30 minutes;
- (15) (14) Facilities which in the judgment of the commissioner of education are operated for the primary purpose of educating children shall be exempt from these rules and regulations except insofar as the regulations affect the health and safety of the children therein. The classrooms shall meet the applicable standards of the commissioner of public safety and state commissioner of health.
- Sec. 5. Minnesota Statutes 1982, section 245.802, is amended by adding a subdivision to read:

Subd. 1a. [ADULT DAY CARE CENTERS.] The commissioner shall establish licensure requirements for adult day care centers and shall license each center that applies for a license and meets those requirements.

Sec. 6. [RULES.]

The commissioner may promulgate permanent rules to implement the provisions of sections 1 to 5. The commissioner of health shall assist the commissioner of public welfare in determining appropriate license requirements.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day following final enactment."

Amend the title as follows:

- Page 1, line 4, delete "subdivision 2" and insert "subdivisions 2, 5, and by adding a subdivision"
- Page 1, line 5, delete "256B.02, subdivisions 7" and insert "245.802, by adding a subdivision."

Page 1, delete line 6

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Com-

merce, to which was referred

S.F. No. 1242: A bill for an act relating to weights and measures; exempting certain petroleum pumps and meters from certain inspection fees; establishing a set fee; amending Minnesota Statutes 1982, sections 239.10 and 296.13.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete sections 1 and 2 and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION.]

The department shall charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection shall must be paid by the owner if the inspection is performed at his the owner's request or if the inspection is made at the request of some other person and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for all regular inspections and special services by rule pursuant to section 16A.128, except that no additional fee may be charged for retail petroleum pumps, petroleum vehicle meters, and petroleum bulk meters that dispense petroleum product for which the petroleum inspection fee required by section 296.13 is collected. All moneys Money collected by the department for its regular inspections, special services, fees, and penalties shall must be paid into the state treasury and credited to the state general fund.

Sec. 2. Minnesota Statutes 1982, section 296.13, is amended to read:

296.13 [INSPECTION FEES.]

An inspection fee shall be charged on petroleum products when received by the distributor, and on petroleum products received and held for sale or use by any person when such petroleum products have not theretofore been received by a licensed distributor. Prior to January 1, 1985, the fee charged shall be uniform and in an amount determined by the commissioner but not to exceed one and three-quarters cents per 50 gallons. Beginning January 1, 1985, the commissioner shall adjust the inspection fee to recover the amount appropriated for petroleum product quality inspection expenses and the amount appropriated for the inspection and testing of petroleum product measuring devices as required by chapter 239. The commissioner shall review and adjust the inspection fee as required by section 16A.128 but notwithstanding section 16A.128, the review of the fee shall occur annually on or before January 1 of each year.

Credit shall be allowed the distributor by the commissioner for inspection fees previously paid in error or on any material exported or sold for export from the state upon filing of a report in a manner approved by the commissioner."

Page 2, line 18, delete "1983" and insert "1984"

Amend the title as follows:

Page 1, line 5, delete "1982" and insert "1983 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1453: A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1455: A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1418: A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 13, after the period, insert "When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency."
 - Page 2, line 14, after the first "and" insert "summary"
 - Page 3, lines 32 and 33, reinstate the stricken language

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1454: A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing pro-

cedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, lines 19 and 20, delete "receipient" and insert "recipient"

Page 6, line 21, delete "receipients" and insert "recipients"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 311, 1242, 1453, 1455, 1418 and 1454 were read the second time.

MOTIONS AND RESOLUTIONS

Ms. Berglin moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 727. The motion prevailed.

Mr. Dieterich moved that the name of Mr. Taylor be added as a co-author to S.F. No. 1310. The motion prevailed.

Mr. Peterson, R.W. moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1316. The motion prevailed.

Mr. Benson moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1333. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1340. The motion prevailed.

Mr. Diessner moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1341. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1355. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1373. The motion prevailed.

Mr. Diessner moved that the name of Mr. Davis be added as a co-author to S.F. No. 1379. The motion prevailed.

Mr. Langseth moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1382. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1436. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1439. The motion prevailed.

Mr. Spear moved that the name of Mr. Dicklich be added as a co-author to S.F. No. 1441. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Dahl be added as a co-author

to S.F. No. 1449. The motion prevailed.

Mr. Jude moved that the name of Mrs. Lantry be added as a co-author to S.F. No. 1455. The motion prevailed.

Mr. Lessard moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1466. The motion prevailed.

Mr. Frederick moved that the names of Messrs. Anderson and Mehrkens be added as co-authors to S.F. No. 1468. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1484. The motion prevailed.

Ms. Berglin moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1491. The motion prevailed.

Mr. Renneke moved that the name of Mrs. Kronebusch be added as a co-author to S.F. No. 1509. The motion prevailed.

Mr. Vega moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1523. The motion prevailed.

Mr. Vega moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1524. The motion prevailed.

Mr. Vega moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1525. The motion prevailed.

Mr. Solon moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1531. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Jude be added as a co-author to S.F. No. 1569. The motion prevailed.

Mr. Sieloff moved that the name of Mr. Jude be added as a co-author to S.F. No. 1574. The motion prevailed.

Mr. Davis moved that the names of Messrs. Merriam; Peterson, C.C.; DeCramer and Frederickson be added as co-authors to S.F. No. 1578. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Ulland be added as a co-author to S.F. No. 1601. The motion prevailed.

Mr. Diessner moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1603. The motion prevailed.

Mr. Spear moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1614. The motion prevailed.

Mr. Vega moved that the names of Messrs. Dahl and Willet be added as co-authors to S.F. No. 1615. The motion prevailed.

Mr. Willet moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1627. The motion prevailed.

Mr. Anderson moved that the names of Messrs. Solon and Chmielewski be added as co-authors to S.F. No. 1689. The motion prevailed.

Mr. Novak moved that the names of Mmes. Lantry and McQuaid be added as co-authors to S.F. No. 1703. The motion prevailed.

Mrs. McQuaid moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1716. The motion prevailed.

Mr. Pogemiller and Mrs. Lantry introduced—

Senate Concurrent Resolution No. 16: A Senate concurrent resolution commending the Saint Paul Community Business Leaders, previously known as the Saint Paul Jaycees, for their decision to forfeit membership in the National Jaycees organization in order to retain full membership privileges for women.

Referred to the Committee on Rules and Administration.

Messrs. Wegscheid; Moe, R.D.; Ms. Reichgott, Messrs. Lessard and Belanger introduced—

Senate Concurrent Resolution No. 17: A Senate concurrent resolution proclaiming Bud Grant Day in Minnesota and encouraging public recognition of Bud Grant's contribution to Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Diessner introduced-

Senate Resolution No. 70: A Senate resolution recognizing "Somebodies Doing Something About It" in the movement to increase the legislated approved drinking age to 21.

Referred to the Committee on Rules and Administration.

Messrs. Moe, D.M.; Moe, R.D.; Luther; Ms. Berglin and Mr. Spear introduced—

Senate Concurrent Resolution No. 18: A Senate concurrent resolution requiring the establishment of an affirmative action plan for the legislature; creating a staff position of Director of Legislative Equal Employment Opportunity; providing for immediate action to be taken in furtherance of equal employment opportunity.

Referred to the Committee on Rules and Administration.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Merriam introduced-

S.F. No. 1723: A bill for an act relating to public safety; restricting certificates of exemption for electrical transformers and capacitors containing PCB; requiring owners of transformers and capacitors to report location of those containing PCB; requiring removal of certain transformers and capacitors containing PCB; imposing strict liability for failure to remove; establishing penalties; amending Minnesota Statutes 1982, section 116.37, subdivisions 1, 5, and by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1724: A bill for an act relating to unemployment compensation; regulating benefit eligibility for certain contractors; repealing Minnesota Statutes 1983 Supplement, section 268.08, subdivision 9.

Referred to the Committee on Employment.

Mr. Merriam introduced-

S.F. No. 1725: A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 343.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1726: A bill for an act relating to public utilities; providing that the public utilities commission adopt rules requiring utilities to pay interest on money refunded to customer and limiting amount of payment required on estimated bills; proposing new law coded in Minnesota Statutes, chapter 216B.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Knaak introduced-

S.F. No. 1727: A bill for an act relating to game and fish; prohibiting the taking of northern pike or pickerel by spearing; amending Minnesota Statutes 1982, sections 97.48, subdivision 1; and 101.41, subdivision 4; and Minnesota Statutes 1983 Supplement, section 98.46, subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Mrs. Lantry, Messrs. Frederickson and Bertram introduced-

S.F. No. 1728: A bill for an act relating to malt beverages; requiring malt beverages to be pasteurized with certain exceptions; amending Minnesota Statutes 1982, section 340.001, by adding a subdivision; 340.02, subdivisions 2 and 3; 340.07, by adding a subdivision; and 340.11, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Chmielewski and Lessard introduced-

S.F. No. 1729: A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

Referred to the Committee on Agriculture and Natural Resources. Mr.

Chmielewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Chmielewski and Davis introduced-

S.F. No. 1730: A bill for an act relating to agriculture; providing for an additional extension agent; proposing new law coded in Minnesota Statutes, chapter 38.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Peterson, D.C. introduced-

S.F. No. 1731: A bill for an act relating to taxation; providing an income tax deduction for contributions to candidates for local office; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Elections and Ethics.

Mr. Wegscheid introduced-

S.F. No. 1732: A bill for an act relating to financial institutions; authorizing industrial loan and thrift companies to act as trustees or custodians of certain retirement accounts; authorizing the removal of the bond requirement on the advertisement and sale of certain evidences of indebtedness; allowing special powers without inclusion in articles of incorporation; providing certain conventional loans on the same terms as other lenders; authorizing open-end loans; providing an alternative to filing fee charges; authorizing the deposit of real estate broker and salesperson trust funds in industrial loan and thrifts; amending Minnesota Statutes 1982, sections 47.75, subdivision 1; 48.151; 53.04, subdivision 1; 53.04, by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a; proposing new law coded in Minnesota Statutes, chapter 56.

Referred to the Committee on Economic Development and Commerce.

Mr. Novak introduced—

S.F. No. 1733: A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

Referred to the Committee on Transportation.

Mr. Novak introduced—

S.F. No. 1734: A bill for an act relating to game and fish; restrictions on power of commissioner to regulate spearing of fish; amending Minnesota Statutes 1982, section 97.48, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Novak introduced—

S.F. No. 1735: A bill for an act relating to occupations and professions;

defining the term "geologist" and related terms; amending Minnesota Statutes 1982, section 156A.071, subdivision 1, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pehler, Nelson, Taylor, Wegscheid and Waldorf introduced—

S.F. No. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

Referred to the Committee on Education.

Mr. Ramstad introduced-

S.F. No. 1737: A bill for an act relating to gambling; allowing certain organizations to wager on golf matches under specified conditions; amending Minnesota Statutes 1982, sections 349.26, subdivisions 8, 10, 11, 12, 13, 14, 15, 15a, and by adding a subdivision; 349.31, subdivision 1; 541.20; 541.21; and Minnesota Statutes 1983 Supplement, section 609.75, subdivision 3.

Referred to the Committee on Veterans and General Legislation. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Ramstad introduced-

S.F. No. 1738: A bill for an act relating to taxation; property; providing an exemption for certain facilities for the elderly; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced-

S.F. No. 1739: A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

Referred to the Committee on Veterans and General Legislation.

Messrs. Johnson, D.J. and Spear introduced—

S.F. No. 1740: A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving compressed gases; proposing new law coded in Minnesota Statutes, chapter 299F.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced—

S.F. No. 1741: A bill for an act relating to intoxicating liquor; authorizing the town of Greenwood in St. Louis County to issue one off-sale liquor license.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Dicklich introduced-

S.F. No. 1742: A bill for an act relating to state departments and agencies; creating a consumer protection board; amending Minnesota Statutes 1982, section 45.17, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Dicklich introduced-

S.F. No. 1743: A bill for an act relating to the city of Hibbing; fixing the term of the mayor.

Referred to the Committee on Local and Urban Government.

Mr. Purfeerst, Mrs. Lantry, Messrs. Ulland and Novak introduced—

S.F. No. 1744: A bill for an act relating to motor vehicles; increasing and expanding license plate fees; establishing the license plate revolving fund; amending Minnesota Statutes 1982, section 168.12, subdivisions 1, 5, and by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Diessner introduced—

S.F. No. 1745: A bill for an act relating to occupations and professions; authorizing the board of medical examiners to set practice standards for midwives; amending Minnesota Statutes 1982, sections 148.31 and 148.32.

Referred to the Committee on Health and Human Services.

Mr. Solon introduced—

S.F. No. 1746: A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Langseth and Purfeerst introduced-

S.F. No. 1747: A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minnesota Statutes 1983 Supplement, section 169.86, subdivision 5.

Referred to the Committee on Transportation.

Messrs. Hughes; Solon; Moe, D.M. and Mrs. Lantry introduced—

S.F. No. 1748: A bill for an act relating to public welfare; establishing a children's trust fund for the prevention of child abuse and neglect; establishing an income tax checkoff to provide money for the fund; proposing new law coded in Minnesota Statutes, chapters 256 and 290.

Referred to the Committee on Health and Human Services.

Mr. Luther, Ms. Peterson, D.C. and Mr. Solon introduced-

S.F. No. 1749: A bill for an act relating to insurance; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management services; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivision 5; 60A.198, subdivision 3; 60A.23, subdivision 8; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

Referred to the Committee on Economic Development and Commerce.

S.F. No. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivision 8; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; amending Minnesota Statutes 1983 Supplement, sections 82.22, subdivision 6; and 82.34, subdivision 7.

Referred to the Committee on Economic Development and Commerce.

Messrs. Pehler; Nelson; Wegscheid; Peterson, R.W. and Stumpf introduced-

S.F. No. 1751: A bill for an act relating to education; clarifying and improving the planning, evaluation, and reporting process; requiring school districts to participate in certain assessment programs; providing funding for assessment programs and the planning, evaluation, and reporting process; appropriating money; amending Minnesota Statutes 1982, sections 123.74; 123.741, as amended; and 123.742, as amended; Minnesota Statutes 1983 Supplement, section 123.743; proposing new law coded in Minnesota Statutes, chapter 123.

Referred to the Committee on Education.

Mr. Solon introduced-

S.F. No. 1752: A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Referred to the Committee on Economic Development and Commerce.

Mr. Frank and Mrs. McQuaid introduced-

S.F. No. 1753: A bill for an act relating to retirement; allowing administrative personnel to participate in a deferred compensation plan in lieu of public employees retirement association membership; amending Minnesota Statutes 1982, section 353.028.

Referred to the Committee on Governmental Operations.

Ms. Peterson, D.C.; Messrs. Luther and Dahl introduced-

S.F. No. 1754: A bill for an act relating to insurance; no-fault auto; providing uninsured and underinsured motorist coverages; defining terms; amending Minnesota Statutes 1982, sections 65B.43, by adding subdivisions; and 65B.49, subdivision 4.

Referred to the Committee on Economic Development and Commerce.

Messrs. Dicklich, Solon and Johnson, D.J. introduced-

S.F. No. 1755: A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

Referred to the Committee on Economic Development and Commerce.

Messrs. Dicklich; Johnson, D.J.; Solon and Ulland introduced—

S.F. No. 1756: A bill for an act relating to St. Louis County; establishing a land investment office; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Jude introduced—

S.F. No. 1757: A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 156A.11.

Referred to the Committee on Health and Human Services.

Mr. Solon introduced-

S.F. No. 1758: A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; making various technical changes; amending Minnesota Statutes 1982, sections 46.04, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; and 168.67; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

Referred to the Committee on Economic Development and Commerce.

- Ms. Reichgott, Messrs. DeCramer, Purfeerst, Novak and Anderson introduced-
- S.F. No. 1759: A bill for an act relating to motor vehicles; extending the period during which automobile registration taxes may be paid; amending Minnesota Statutes 1982, section 168.31, subdivision 1.

Referred to the Committee on Transportation.

- Ms. Reichgott, Mr. Waldorf, Ms. Peterson, D.C.; Mr. Pogemiller and Mrs. Brataas introduced—
- S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Referred to the Committee on Employment.

Messrs. Dieterich, Jude, Dahl, Belanger and Solon introduced-

S.F. No. 1761: A bill for an act relating to occupations and professions; providing licensing requirements for closing agents; providing penalties; proposing new law coded in Minnesota Statutes, chapter 82.

Referred to the Committee on Economic Development and Commerce.

- Ms. Reichgott, Messrs. Spear, Pogemiller, Petty and Johnson, D.E. introduced-
- S.F. No. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing a sanction for intentional delays; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.117; 363.14, subdivision 1; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; and 363.071, subdivision 2; proposing new law coded in chapter 363.

Referred to the Committee on Judiciary.

Mrs. Kronebusch introduced-

S.F. No. 1763: A bill for an act relating to commerce; protecting consumers; providing for testing and licensing those selling, installing, servicing, or repairing fireplaces and wood-burning appliances; creating a board; proposing new law coded in Minnesota Statutes, chapter 326.

Referred to the Committee on Economic Development and Commerce.

Mr. Nelson introduced—

S.F. No. 1764: A bill for an act relating to taxation; providing temporary property tax and sales tax exemptions for certain meat processing plants; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pehler introduced-

S.F. No. 1765: A bill for an act relating to state employees; extending insurance benefits to certain state employees selecting early retirement; amending Minnesota Statutes 1983 Supplement, section 43A.24, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced-

S.F. No. 1766: A bill for an act relating to Independent School District No. 573, Hinckley; authorizing the transfer of up to \$900,000 from the general fund to the capital expenditure fund for certain purposes; requiring local approval.

Referred to the Committee on Education.

Mrs. McQuaid introduced-

S.F. No. 1767: A bill for an act relating to retirement; retirement coverage for certain employees of the city of St. Louis Park; amending Laws 1980, chapter 600, section 17.

Referred to the Committee on Governmental Operations.

Messrs. Freeman and Novak introduced-

S.F. No. 1768: A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Freeman, Solon and Novak introduced—

S.F. No. 1769: A bill for an act relating to commerce; mechanics' liens; requiring contractors and subcontractors to provide owners with lien notices prior to beginning work; amending Minnesota Statutes 1982, section 514.011, subdivision 3; and Minnesota Statutes 1983 Supplement, section 514.011, subdivisions 1 and 2.

Referred to the Committee on Judiciary.

Mr. Solon introduced-

S.F. No. 1770: A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

Referred to the Committee on Local and Urban Government.

Messrs. Langseth and Solon introduced-

S.F. No. 1771: A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section

471.59, by adding a subdivision.

Referred to the Committee on Local and Urban Government.

Messrs. Spear, Waldorf, Purfeerst, Freeman and Knaak introduced-

S.F. No. 1772: A bill for an act relating to crimes; defining sports bookmaking; amending Minnesota Statutes 1983 Supplement, section 609.75, subdivision 7.

Referred to the Committee on Judiciary.

Mr. Bertram introduced-

S.F. No. 1773: A bill for an act relating to crimes; authorizing the court to specify conditions of release for persons charged with crimes while on court ordered release pending criminal proceedings for allegedly committing another crime; proposing new law coded in Minnesota Statutes, chapter 629.

Referred to the Committee on Judiciary.

Messrs, Lessard; Peterson, C.C.; Berg; Novak and Willet introduced-

S.F. No. 1774: A bill for an act relating to game and fish; exempting hunters on licensed game farms in the northern portion of the state from the requirement of a pheasant stamp; amending Minnesota Statutes 1983 Supplement, section 97.4843, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Schmitz introduced-

S.F. No. 1775: A bill for an act relating to economic development; establishing a Minnesota convention facility commission; requiring the commission to report to the governor and legislature a proposal for the construction, operation, promotion, and financing of a Minnesota convention facility; appropriating money.

Referred to the Committee on Economic Development and Commerce.

Messrs. Dicklich and Johnson, D.J. introduced-

S.F. No. 1776: A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium become permanent law; applying moratorium to holders of any mortgage or contract for deed to homestead property; abolishing exclusionary provision; allowing mortgagor to petition for postponement of foreclosure sale for up to 12 months; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; abolishing sunsetting provision; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.04; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced-

S.F. No. 1777: A bill for an act relating to waters; restricting permits for charter houseboats on Lake Vermillion.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Isackson, Frederickson, Anderson, Kamrath and Mrs. McQuaid introduced—

S.F. No. 1778: A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Isackson, Frederickson, Kamrath and Mrs. McQuaid introduced—

S.F. No. 1779: A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; appropriating the money to the commissioner of transportation; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Referred to the Committee on Transportation.

Messrs. Wegscheid and Solon introduced-

S.F. No. 1780: A bill for an act relating to the town of Cannon Falls; authorizing the establishment of detached banking facilities.

Referred to the Committee on Economic Development and Commerce.

Messrs. Merriam; Solon; Freeman; Johnson, D.E. and Anderson introduced-

S.F. No. 1781: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

Referred to the Committee on Economic Development and Commerce.

Ms. Berglin and Mrs. Lantry introduced-

S.F. No. 1782: A bill for an act relating to public welfare; establishing an experimental family-based services program for children; providing grants; proposing new law coded in Minnesota Statutes, chapter 257.

Referred to the Committee on Health and Human Services.

Messrs. Pehler; Moe, R.D. and Frederickson introduced-

S.F. No. 1783: A bill for an act relating to retirement; authorizing state aid for the University of Minnesota police department; clarifying the law governing expenditure of St. Cloud police retirement funds; authorizing postretirement adjustments for Crookston police; amending Minnesota Statutes

1983 Supplement, section 69.011, subdivision 1; Laws 1973, chapter 432, section 4; and Laws 1977, chapter 275, section 1, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Pehler, Schmitz, Purfeerst, DeCramer and Stumpf introduced-

S.F. No. 1784: A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation.

Mr. Merriam and Ms. Berglin introduced-

S.F. No. 1785: A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minnesota Statutes 1982, section 628.26; Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Referred to the Committee on Judiciary.

Mrs. McQuaid and Ms. Olson introduced-

S.F. No. 1786: A bill for an act relating to the legislature; requiring action on tax bills to be taken before the 50th legislative day and action on general appropriations must be taken after that; proposing new law coded in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Mr. Dicklich introduced-

S.F. No. 1787: A bill for an act relating to public welfare; providing for reimbursement under the general assistance medical care program for medical supplies for diabetics; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

Referred to the Committee on Health and Human Services.

Messrs. Dieterich and Frederick introduced-

S.F. No. 1788: A bill for an act relating to unemployment compensation; changing the requirements for quarterly reporting of wages; amending Minnesota Statutes 1983 Supplement, section 268.12, subdivision 8; repealing Minnesota Statutes 1982, section 268.121.

Referred to the Committee on Employment.

Mr. Peterson, R.W. introduced-

S.F. No. 1789: A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Peterson, R.W. introduced—

S.F. No. 1790: A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Stumpf; Peterson, C.C.; Willet and Moe, R.D. introduced—

S.F. No. 1791: A bill for an act relating to local government; changing the computation of payments-in-lieu; amending Minnesota Statutes 1982, section 477A.13.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf and Nelson introduced-

S.F. No. 1792: A bill for an act relating to taxation; extending the definition of "nonprofit organization" for purposes of the sales tax exemption for isolated and occasional sales; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf; Samuelson; Johnson, D.J. and Moe, R.D. introduced—

S.F. No. 1793: A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

Referred to the Committee on Health and Human Services.

Messrs. Stumpf and Moe, R.D. introduced-

S.F. No. 1794: A bill for an act relating to waters; legislative approval of a certain diversion by the North Kittson Rural Water District.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Samuelson; Moe, R.D. and Ms. Berglin introduced-

S.F. No. 1795: A bill for an act relating to public welfare; changing the formula for allocating federal title XX funds to counties; appropriating money; amending Minnesota Statutes 1982, section 256E.07, subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1982, section 256E.07, subdivision 3.

Referred to the Committee on Health and Human Services.

Ms. Olson and Mrs. McQuaid introduced—

S.F. No. 1796: A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

Referred to the Committee on Elections and Ethics.

Mr. Langseth introduced-

S.F. No. 1797: A bill for an act relating to Independent School District No. 852, Campbell-Tintah; authorizing the transfer of interest income from the capital expenditure fund to the general fund; requiring local approval.

Referred to the Committee on Education.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 12, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-THIRD DAY

St. Paul, Minnesota, Monday, March 12, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. James M. McGowan.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Olson	Solon
Anderson	Dieterich	Kronebusch	Pehler	Spear
Belanger	Frank	Laidig	Peterson, C.C.	Storm
Benson	Frederick	Langseth	Peterson, D.C.	Stumpf
Berg	Frederickson	Lantry	Peterson, D.L.	Taylor
Berglin	Freeman	Lessard	Peterson, R.W.	Ulland
Bernhagen	Hughes	Luther	Pettv	Vega
Bertram	Isackson	McQuaid	Pogemiller	Waldorf
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Wegscheid
Chmielewski	Johnson, D.J.	Merriam	Reichgott	Willet
Dahl	Jude	Moe, D.M.	Renneke	
Davis	Kamrath	Moe, R.D.	Samuelson	
DeCramer	Knaak	Nelson	Schmitz	
Dicklich	Knutson	Novak	Sieloff	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mr. Ramstad was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

June 21, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment as Director of the State Planning Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas J. Triplett, 2415 Sheridan Ave. S., Minneapolis, Hennepin

County, has been appointed by me, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Governmental Operations.)

June 24, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the Cable Communications Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Judith C. Corrao, 2303 - 27th Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective June 24, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

January 3, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Minnesota Pollution Control Agency are hereby respectfully submitted to the Senate for confirmation as required by law:

Marcia R. Gelpe, 875 Summit Ave., St. Paul, Ramsey County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Duane A. Dahlberg, 421 Horn Ave. S., Moorhead, Clay County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Agriculture and Natural Resources.)

Sincerely, Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

Pursuant to Joint Rule 3.02, the Conference Committee on H.F. No. 1149 was discharged after adjournment May 23, 1983 and the bill was laid on the table.

H.F. No. 1149: A bill for an act relating to liens; right of possession and liens on fabrication molds and patterns; providing a nonpossessory lien on personal property; lengthening the time limit for veterinary liens; amending Minnesota Statutes 1982, sections 514.18; 514.19; and 514.92, subdivision 1.

I have the honor to announce that on March 8, 1984, H.F. No. 1149 was taken from the table and new House conferees were appointed.

Clawson, Jacobs and Carlson, D., have been appointed as such committee on the part of the House.

House File No. 1149 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1984

Mr. Peterson, R.W. moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1149, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES

- Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1421 and 939. The motion prevailed.
 - Mr. Pehler from the Committee on Education, to which was referred
- S.F. No. 1240: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 26, delete "may" and insert "shall"
- Page 3, line 1, strike "his" and insert "the issuer's"
- Page 3, delete lines 5 to 7 and insert ""Shall the Minnesota Constitution be amended to allow the maximum investment of the permanent school fund in a manner prescribed by law?"

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1127: A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, after the period, insert "The county board, prior to the issuance of any bonds authorized by section 1 and after adopting the resolution as provided above in this section, shall adopt a resolution by majority vote of the county board stating the amount, purpose and, in general, the security to be provided for the bonds, and shall publish the resolution once

each week for two consecutive weeks in the medium of official and legal publication of the county. The bonds may be issued without the submission of the question of their issuance to the voters of the county library district unless within 21 days after the second publication of the resolution a petition requesting a referendum, signed by at least ten percent of the registered voters of the county, is filed with the county auditor. If a petition is filed, bonds may be issued unless disapproved by a majority of the voters of the county library district, voting on the question of their issuance at a regular or special election."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1396: A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, delete "town" and after "land" insert "within the town"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1139: A bill for an act relating to local government; requiring notice of and hearings on increases in certain license fees; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, delete "engage in a business or"

Page 1, line 11, delete "commercial activity" and insert "own or operate a vending machine or to dispense goods or services therefrom"

Page 1, line 13, delete "ten" and insert "30"

Page 1, line 15, delete everything after "charter"

Page 1, line 16, delete everything before the period

Page 1, after line 16, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective July 1, 1984."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which

was referred

S.F. No. 1421: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, delete "program" and insert "service"

And when so amended the bill do pass. Mr. Waldorf questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 341: A bill for an act relating to game and fish; authorizing a season on mourning doves; setting maximum daily and possession limits; amending Minnesota Statutes 1982, sections 100.27, subdivision 6; and 100.28, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 100.27, subdivision 6, is amended to read:
- Subd. 6. All migratory game birds, excepting Zenaida macroura mourning doves, may be taken and possessed whenever and so long as the taking or possession is not prohibited by federal laws or regulations, subject, however, to all requirements of chapters 97 to 102, provided that it shall be unlawful to take any migratory game birds at any time in violation of any federal law or regulation. Zenaida macroura Mourning doves shall not be taken and possessed in the state.
- Sec. 2. Minnesota Statutes 1982, section 100.27, is amended by adding a subdivision to read:
- Subd. 6a. Notwithstanding subdivision 6, in that portion of the state lying westerly of trunk highways numbered 72 and 71 the commissioner may establish experimental seasons in 1984 and 1985 for taking and possessing mourning doves. The commissioner shall prescribe the dates of the seasons and the daily and possession limits. Mourning doves may only be taken under this subdivision while in flight."

Delete the title and insert:

"A bill for an act relating to game and fish; authorizing an experimental season on mourning doves in western Minnesota; amending Minnesota Statutes 1982, section 100.27, subdivision 6, and by adding a subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources,

to which was referred

S.F. No. 1433: A bill for an act relating to natural resources; extension of state timber permits; amending Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, delete "which" and insert "that"

Page 1, line 15, after "commissioner" insert "at least"

Page 1, line 21, delete "for" and after "the" insert "higher of the" and delete "determined"

Page 1, line 22, delete "of" and insert "the" and delete everything after "extension" and insert "is granted"

Page 1, line 23, delete everything before "at" and insert "or"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1407: A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, after "repair" delete "or" and insert "and"

Page 1, line 17, delete "or" and insert "and" in both places

Page 1, line 19, after "use" strike "for" and delete "the above purposes"

Page 1, line 21, after "repair" delete "or" and insert "and"

Page 2, line 1, strike "thereof" and strike "such"

Page 2, lines 9 and 13, strike "such"

Page 2, line 14, strike "in any case"

Page 2, line 15, strike "so"

Page 2, line 17, strike "thereof"

Page 2, line 24, after "upon" delete "the" and delete "as"

Page 2, line 27, delete "so"

Page 2, line 28, delete "such" and delete "in"

Page 2, line 29, delete "any case"

Page 2, line 30, delete "so"

Page 2, line 32, delete "thereof"

- Page 3, line 2, strike "such"
- Page 3, line 3, strike "as will" and insert "sufficient to"
- Page 3, line 8, strike "Such" and insert "The"
- Page 3, lines 10, 13, and 26, strike "such"
- Page 3, line 18, strike "such timber" and insert "it"
- Page 3, line 27, strike "therein as will" and insert "to" and strike "such" and insert "the"
 - Page 3, line 30, strike "any such"
- Page 3, line 33, delete ", as defined in" and insert "under" and delete ", subdivision 3"
 - Page 4, line 2, after "complaint" insert a comma
- Page 4, line 8, delete "or magistrate" and after "other" insert "necessary" and delete "that is"
 - Page 4, line 9, delete "necessary"
- Page 4, line 18, delete "This act is" and insert "Section 6 is effective the day following enactment. The remaining sections are"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 868: A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- S.F. No. 1656: A bill for an act relating to communications; providing conditions for extension of cable communications service outside the boundaries of a core service unit; amending Minnesota Statutes 1982, section 238.17, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, reinstate the stricken language

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
 - S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on

furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, sections 340.601; and 340.81; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; and 340.78.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 3, delete section 2

Page 3, line 4, delete "and" and after the semicolon, insert "and 340.81;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "sections" and insert "section"

Page 1, line 6, delete "and 340.81;"

Page 1, line 7, delete "and" and before the period, insert "; and 340.81"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1475: A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 939: A resolution memorializing the President and the Congress of the United States to repeal the Federal Reserve Act.

Reports the same back with the recommendation that the resolution be amended as follows:

Page 1, line 18, after "delegate" insert "to a private organization"

Page 2, lines 4 and 5, delete ", a consortium of private bankers,"

Page 2, delete lines 9 to 13

Page 2, delete lines 19 to 22

Page 2, lines 28 and 29, delete "- and return to the gold standard"

Page 2, line 33, delete "and restore the gold standard"

And when so amended the resolution do pass. Mr. Merriam questioned the reference thereon and, under Rule 35, the resolution was referred to the Committee on Rules and Administration.

Ms. Berglin from the Committee on Health and Human Services, to which

was referred

S.F. No. 1493: A bill for an act relating to public welfare; directing the commissioner of public welfare to study the need for a home and community-based service and apply for a waiver for chronically ill children under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, after "been" insert "and will continue to be" and delete "for a period longer than six"

Page 1, line 15, delete "months, and would continue to be hospitalized"

Page 1, line 25, delete "as amended through December 31, 1982"

Page 2, line 2, delete "social" and insert "supplemental"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1491: A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; empowering tribal courts with jurisdiction of Indian child welfare; proposing new law coded in Minnesota Statutes, chapter 257.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [257.35] [CITATION.]

Sections 1 to 16 may be cited as the "Minnesota Indian Child Welfare Act."

Sec. 2. [257.351] [LEGISLATIVE PURPOSE.]

The legislature declares that it is the policy of this state to protect the ethnic heritage or background of children who are subject to foster care or adoption. Where Indian children are involved, this policy can be implemented by maximizing cooperation between the state and the Indian children's tribes, by adopting or improving upon federal requirements in the area of Indian children subject to foster care or adoption, and by acknowledging and supporting the power of Indian tribes to develop tribal courts to take jurisdiction over the subject matter of sections 1 to 16.

Sec. 3. [257.352] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 1 to 16, the following terms have the meanings given them.

Subd. 2. [ADMINISTRATIVE REVIEW.] "Administrative review" means review under Minnesota Statutes, section 257.071.

Subd. 3. [CHILD CUSTODY PROCEEDING.] "Child custody proceed-

ing" means a judicial proceeding that could result in:

- (1) "adoptive placement," which means the permanent placement of an Indian child for adoption, including any action resulting in a final decree of adoption;
- (2) "involuntary foster care placement," which means an action removing an Indian child from its parents or Indian custodian for temporary placement in a foster home, institution, or the home of a guardian when the parent or Indian custodian cannot have the child returned upon demand, but parental rights have not been terminated;
- (3) "preadoptive placement," which means the temporary placement of an Indian child in a foster home or institution after the termination of parental rights, before or instead of adoptive placement; or
- (4) "termination of parental rights," which means any action resulting in the termination of the parent-child relationship under the provisions of Minnesota Statutes, section 260.221.
- "Child custody proceeding" includes proceedings involving placements based upon juvenile status offenses, but not placements based upon acts which if committed by an adult would be deemed a crime, or based upon an award of custody in a divorce proceeding to one of the parents.
- Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of public welfare.
- Subd. 5. [DEMAND.] "Demand" means a written and notarized statement signed by a parent or Indian custodian of a child requesting the return of the child who has been voluntarily placed in foster care.
- Subd. 6. [EXPERT WITNESS.] "Expert witness" means (1) a member of the Indian child's tribe recognized or certified by the tribe as knowledgeable in tribal customs relating to family organizations and child-rearing practices; or (2) a lay expert witness or professional person having substantial experience in the delivery of child and family services to Indians and extensive knowledge of prevailing social and cultural standards and child-rearing practices within the Indian child's tribe.
- Subd. 7. [EXTENDED FAMILY MEMBER.] "Extended family member" means a person so designated by tribal law or custom of the Indian child's tribe. In the absence of tribal law or custom, an extended family member is a person who has reached the age of 18 and is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, stepparent, or stepbrother or stepsister.
- Subd. 8. [INDIAN.] ''Indian'' means any person who is a member of an Indian tribe or an Alaskan native and a member of a Regional Corporation as defined in section 7 of the Alaska Native Claims Settlement Act, United States Code, title 43, section 1606.
- Subd. 9. [INDIAN CHILD.] "Indian child" means an unmarried person who is under age 18 and is:
 - (1) a member of an Indian tribe; or
 - (2) eligible for membership in an Indian tribe and the biological child of a

member of an Indian tribe.

- Subd. 10. [INDIAN CHILD'S TRIBE.] "Indian child's tribe" means the Indian tribe of which an Indian child is a member or is eligible for membership. In the case of an Indian child who is a member of or eligible for membership in more than one tribe, the Indian child's tribe is the tribe with which the Indian child has the most significant contacts. If that tribe does not express an interest in the outcome of the actions taken under sections 1 to 16 with respect to the child, any tribe in which the child is eligible for membership that expresses an interest in the outcome may act as the Indian child's tribe.
- Subd. 11. [INDIAN CUSTODIAN.] "Indian custodian" means an Indian person who has legal custody of an Indian child under tribal law or custom or under state law, or to whom temporary physical care, custody, and control has been transferred by the parent of the child.
- Subd. 12. [INDIAN TRIBE.] "Indian tribe" means an Indian tribe, bank, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the secretary because of their status as Indians, including any band under the Alaska Native Claims Settlement Act, United States Code, title 41, section 1602.
- Subd. 13. [LOCAL SOCIAL SERVICE AGENCY.] "Local social service agency" means the local agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.
- Subd. 14. [PARENT.] "Parent" means the biological parent of an Indian child or any Indian person who has lawfully adopted an Indian child, including a person who has adopted a child by tribal law or custom.
- Subd. 15. [PRIVATE CHILD PLACING AGENCY.] "Private child placing agency" means a private individual, organization, association or corporation providing assistance to children and parents in their own homes and placing children in foster care or for adoption.
- Subd. 16. [RESERVATION.] "Reservation" means Indian country as defined in United States Code, title 18, section 1151, and any lands that are held by the United States in trust for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to a restriction by the United States against alienation.
- Subd. 17. [SECRETARY.] "Secretary" means the secretary of the United States Department of the Interior.
- Subd. 18. [TRIBAL COURT.] "Tribal court" means a court with jurisdiction over child custody proceedings that is either a Court of Indian Offenses, a court established and operated under the code or custom of an Indian tribe, or the administrative body of a tribe that is vested with authority over child custody proceedings.
- Subd. 19. [VOLUNTARY FOSTER CARE PLACEMENT.] "Voluntary foster care placement" means a decision in which there has been participation by a local social service agency or private child placing agency resulting in the temporary placement of an Indian child away from the home of its parents or Indian custodian in a foster home, institution, or the home of a

guardian, and the parent or Indian custodian may have the child returned upon demand.

Sec. 4. [257.353] [SOCIAL SERVICE AGENCY NOTICE TO TRIBES.]

When the local social service agency determines that an Indian child is in a dependent or other condition that could lead to an out-of-home placement and requires the continued involvement of the agency with the child for a period in excess of 30 days, the agency shall send notice of the condition and the initial steps taken to remedy it to the Indian child's tribe within seven days of the determination. The local social service agency shall give the tribe full cooperation, including access to all files concerning the child if the tribe so requests, notwithstanding the provisions of chapter 13.

Sec. 5. [257.354] [VOLUNTARY FOSTER CARE PLACEMENTS.]

Subdivision 1. [NOTICE.] When an Indian child is voluntarily placed in foster care, the social service agency or private child placing agency involved in the decision to place the child shall give notice of the placement in the manner required under section 8 to the parents, the tribe, and the Indian custodian, or, under the cirumstances described in section 8, the secretary, within seven days of placement.

- Subd. 2. [NOTICE OF ADMINISTRATIVE REVIEW.] In an administrative review of a voluntary foster care placement, the tribe of the child, the Indian custodian, and the parents of the child shall have notice and a right of participation in the review, including access to all files and documents pertaining to the placement notwithstanding the provisions of chapter 13.
- Subd. 3. [RETURN OF A CHILD IN VOLUNTARY PLACEMENT.] Upon demand by the parent or Indian custodian of an Indian child, the local social service agency shall return the child in voluntary foster care placement to the parent or Indian custodian within 24 hours of the receipt of the demand.

Sec. 6. [257.355] [EFFECT OF TRIBAL COURT PLACEMENT ORDERS.]

To the extent that any child subject to the provisions of this act is otherwise eligible for social services, orders of a tribal court concerning placement of the child shall have the same force and effect as orders of a court of this state.

Sec. 7. [257.356] [JURISDICTION; INTERVENTION; FULL FAITH AND CREDIT.]

Subdivision 1. [INDIAN TRIBE JURISDICTION.] An Indian tribe that has a tribal court has exclusive jurisdiction over a child custody proceeding involving an Indian child who resides or is domiciled within the reservation of the tribe. When an Indian child is in the legal custody of a person or agency pursuant to an order of a tribal court, the Indian tribe retains exclusive jurisdiction.

Subd. 2. [TRANSFER OF PROCEEDINGS.] In a proceeding for the termination of parental rights to or involuntary foster care placement of an Indian child not within the jurisdiction of the tribe under subdivision 1, the court shall transfer the proceeding to the jurisdiction of the tribe, absent objection by either parent, upon the petition of either parent, the Indian custo-

dian, or the Indian child's tribe. Jurisdiction may be declined by the tribal court of the tribe.

- Subd. 3. [INTERVENTION BY TRIBE.] In a proceeding for the termination of parental rights to or involuntary foster care placement of an Indian child, the Indian custodian of the child and the Indian child's tribe shall have a right to intervene at any point in the proceedings.
- Subd. 4. [FULL FAITH AND CREDIT.] The state and its political subdivisions shall give full faith and credit to the public acts, records, and judicial proceedings of an Indian tribe that apply to Indian child custody proceedings.

Sec. 8. [257.357] [FOSTER CARE.]

Subdivision 1. [INVOLUNTARY PROCEEDING.] In a child custody proceeding the court shall determine whether an Indian child is involved. The party seeking the involuntary foster care placement of or termination of parental rights to an Indian child shall notify the parent and Indian custodian and the Indian child's tribe, by registered mail with return receipt requested, of the pending proceedings and of their right of intervention. If notification by registered letter return receipt requested is unsuccessful, notice by personal service shall be attempted no later than ten days after the mailing of the registered letter. If the identity or location of the parent or Indian custodian or the tribe cannot be determined, or if the attempt to serve notice to any of these parties is unsuccessful, notice must be served upon the secretary in like manner. No child custody proceeding that could have as a possible outcome either an involuntary foster care placement or a termination of parental rights shall be held until at least ten days after receipt of notice by the parent and Indian custodian and the tribe. If it has been necessary to serve notice upon the secretary, no proceeding shall be held until at least 20 days after receipt of the notice by the secretary. The parent or Indian custodian or the tribe shall, upon request, be granted up to 20 additional days to prepare for the proceeding.

- Subd. 2. [INDIGENCY.] When the court determines indigency, the parent, the Indian custodian, and the child have the right to court-appointed counsel in a removal, placement, or termination proceeding. When an Indian custodian is involved, the court shall seek payment for legal counsel from the secretary in the manner described in United States Code, title 25, section 1912(b).
- Subd. 3. [ACCESS TO DOCUMENTS.] Each party entitled to notice of a child custody proceeding involving an Indian child that could have as a possible outcome an involuntary foster care placement or termination of parental rights may examine all reports or other documents pertaining to the placement or termination, notwithstanding the provisions of chapter 13.
- Subd. 4. [REMEDIAL SERVICES.] When a party initiates a child custody proceeding involving an Indian child that could have as a possible outcome an involuntary foster care placement or termination of parental rights, that party shall satisfy the court that active efforts have been made to provide remedial services and rehabilitative programs designed to prevent the breakup of the Indian family, including notice to the child's tribe, and that these efforts have proved unsuccessful.

- Subd. 5. [ADMISSIONS.] Where a parent or Indian custodian voluntarily admits to the allegations of the complaint or petition in a child custody proceeding, the admission is not valid unless executed in writing, recorded before a judge, and accompanied by the presiding judge's certificate that the terms and consequences of the admission were fully explained and fully understood by the parent or Indian custodian. The court shall also certify that either the parent or Indian custodian fully understood the explanation in English or that it was interpreted in a language that the parent or Indian custodian understood.
- Subd. 6. [EVIDENCE REQUIRED FOR INVOLUNTARY FOSTER CARE PLACEMENT.] No involuntary foster care placement may be ordered in a proceeding absent a determination supported by clear and convincing evidence, including testimony of qualified expert witnesses, that the continued custody of the child by the parent or Indian custodian is likely to result in serious emotional or physical damage to the child.
- Subd. 7. [EVIDENCE REQUIRED FOR TERMINATION OF PARENTAL RIGHTS.] No termination of parental rights may be ordered in a proceeding absent a determination supported by evidence beyond a reasonable doubt, including testimony of qualified expert witnesses, that the continued custody of the child by the parent or Indian custodian is likely to result in serious emotional or physical damage to the child.
- Subd. 8. [EFFECT OF PRIOR VOLUNTARY PLACEMENT.] No involuntary foster care placement or termination of parental rights may be ordered where the determination is based solely upon the prior voluntary placement of the child.
- Sec. 9. [257.358] [PARENTAL RIGHTS; VOLUNTARY TERMINATION.]
- Subdivision 1. [PARENTAL CONSENT WITHDRAWN.] In a voluntary proceeding involving an Indian child for termination of parental rights or adoptive placement, the parent may withdraw consent for any reason at any time before the entry of a final decree of termination or adoption and the child shall be returned to the parent.
- Subd. 2. [WITHDRAWN CONSENT; UNDUE INFLUENCE.] After the entry of a final decree of adoption of an Indian child, the parent may withdraw consent on the grounds that consent was obtained through undue influence, fraud, or duress and may petition the court to vacate the decree. Upon a finding that the consent was obtained through undue influence, fraud, or duress, the court shall vacate the decree and return the child to the parent.
- Subd. 3. [RESTRICTIONS UPON CONSENT.] No consent to a termination of parental rights to or adoptive placement of an Indian child made prior to or within ten days of birth of the Indian child is valid.
 - Sec. 10. [257.359] [ADOPTIVE OR FOSTER PLACEMENT.]
- Subdivision 1. [ADOPTION PLACEMENT PREFERENCE.] In an adoptive placement of an Indian child, a preference shall be given, absent good cause to the contrary, to a placement with:
 - (1) a member of the child's extended family;
 - (2) other members of the Indian child's tribe; or

- (3) other Indian families.
- Subd. 2. [PLACEMENT FOR PREADOPTIVE OR FOSTER CARE.] A child accepted for foster care or preadoptive placement must be placed in the least restrictive setting that most resembles a family and in which his or her special needs, if any, may be met. The child must be placed reasonably close to his or her home, taking into account any special needs of the child. The child shall be placed in an environment that maintains sibling relationships, taking into account any special needs of the child. In a foster care or preadoptive placement, a preference shall be given, in the absence of good cause to the contrary, to a placement with:
 - (1) a member of the Indian child's extended family;
- (2) a foster home licensed, approved, or specified by the Indian child's tribe;
- (3) an Indian foster home licensed or approved by an authorized non-Indian licensing authority; or
- (4) an institution for children approved by an Indian tribe or operated by an Indian organization that has a program suitable to meet the Indian child's needs.
- Subd. 3. [TRIBAL PREFERENCE FOR PLACEMENT.] In the case of a placement under subdivisions I and 2 of this section, if the Indian child's tribe establishes a different order of preference by resolution, the agency or court effecting the placement shall follow the order as long as the placement is the least restrictive setting appropriate to the particular needs of the child, as provided in subdivision 2. If appropriate, the preference of the Indian child or parent shall be considered.
- Subd. 4. [STANDARDS FOR PREFERENCE.] The standards to be applied in meeting the preference requirements of this section are the prevailing social and cultural standards of the Indian community in which the parent or extended family resides or with which the parent or extended family members maintain social and cultural ties.
- Subd. 5. [PLACEMENT RECORDS.] The commissioner shall maintain a record of the number and names of Indian children in placement by county of placement. The record shall identify Indian children in placement in terms of the order of preference described in this section. This information shall be made available to an Indian tribe upon request by the tribe notwithstanding the provisions of chapter 13.
- Subd. 6. [LOCATING THE EXTENDED FAMILY.] The agency seeking placement is responsible for identifying and locating extended family members.
- Subd. 7. [PLACEMENT OUT OF ORDER OF PREFERENCE.] Where good cause exists to make a placement not within the order of preference described in this section, the court must determine that the benefits of the placement outweigh the potential effect of racial or ethnic discrimination against the child.
 - Sec. 11. [257.360] [STANDING TO INVALIDATE PROCEEDINGS.]

An Indian child who is the subject of an action for involuntary foster care

placement or termination of parental rights, a parent or Indian custodian from whose custody the child was removed, and the Indian child's tribe may petition the court to invalidate the action upon a showing that the action was in violation of sections 3 to 10.

Sec. 12. [257.361] [PETITION FOR RETURN OF CUSTODY; REMOVAL FROM FOSTER CARE.]

Subdivision 1. [BIOLOGICAL PARENT PETITION.] When a final decree of adoption of an Indian child has been vacated or set aside, or the adoptive parents voluntarily consent to the termination of their parental rights to the child, a biological parent or prior Indian custodian may petition for return of custody and the court shall grant such petition unless there is a showing, in a proceeding subject to the provisions of section 8, that the return of custody is not in the best interests of the child.

Subd. 2. [NOTICE OF REMOVAL; REVIEW.] Whenever the placement of an Indian child may be changed, advance notice shall be provided to the child's tribe, and to the parents and the Indian custodian whose familial rights have not been terminated. Review of the placement shall be granted upon petition by the tribe or the parents or Indian custodian whose familial rights have not been terminated.

Sec. 13. [257.362] [INFORMATION ON TRIBAL AFFILIATION AND BIOLOGICAL PARENTS.]

Upon application by an adopted Indian child over the age of 18, the court which entered the final decree shall inform the individual of the tribal affiliation, if any, of the individual's biological parents and provide other information necessary to protect rights flowing from the individual's tribal relationship.

Sec. 14. [257.363] [IMPROPER REMOVAL OF CHILD FROM CUSTODY.]

If any petitioner in an Indian child custody proceeding has improperly removed the child from custody of the parent or Indian custodian, or has improperly retained custody after a visit or other temporary relinquishment of custody, the court shall decline jurisdiction over the petition and shall return the child to his parent or Indian custodian unless returning the child to his parent or custodian would subject the child to a substantial and immediate danger or threat of danger.

Sec. 15. [257.364] [EMERGENCY REMOVAL OF CHILD.]

Nothing in sections 1 to 16 prevents the emergency removal of an Indian child from his parent or Indian custodian or the emergency placement of the child in a foster home or institution in order to prevent imminent physical harm to the child. The local social service agency or private child-placing agency involved shall ensure that the emergency removal or placement terminates immediately when removal or placement is no longer necessary to prevent imminent physical harm to the child, and shall promptly initiate a child custody proceeding subject to the provisions of sections 1 to 16, transfer the child to the jurisdiction of the appropriate Indian tribe, or restore the child to the parent or Indian custodian.

Sec. 16. [257.365] [RECORDS; INFORMATION AVAILABILITY.]

Subdivision 1. [COURT DECREE INFORMATION.] A state court entering a final decree or order in an Indian child adoptive placement shall provide the secretary, the department of public welfare, and the child's tribe with a copy of the decree or order together with other information necessary to show:

- (1) the name and tribal affiliation of the child;
- (2) the names and addresses of the biological parents;
- (3) the names and addresses of the adoptive parents; and
- (4) the identity of any agency having files or information relating to the adoptive placement.

If the court records contain an affidavit of the biological parent or parents requesting anonymity, the court shall delete the name and address of the biological parents from the information sent to the child's tribe.

Subd. 2. [DISCLOSURE OF RECORDS.] Upon the request of the adopted Indian child over the age of 18, the adoptive or foster parents of an Indian child, or an Indian tribe, the department of public welfare shall disclose information necessary for membership of an Indian child in the tribe in which the child may be eligible for membership, or for determining any rights or benefits associated with that membership. If the documents relating to the child contain an affidavit from the biological parent or parents requesting anonymity, the department of public welfare shall delete the name and address of the biological parents from the information sent to the child's tribe."

Delete the title and insert:

"A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1703: A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 221.295; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, by adding subdivisions; 473.449; Minnesota Statutes 1983 Supplement, sections 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1;

proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 473.121, subdivisions 9 and 16; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; 474.265; 474.31.

Reports the same back with the recommendation that the bill be amended as follows:

Page 14, line 25, after "for" insert "all people in"

Page 14, line 26, after "arrange" insert ", to the greatest feasible extent,"

Page 14, line 27, after "of" insert "all people in"

Page 14, line 30, after "efficient" insert "and coordinated"

Page 15, line 31, delete "extended-term budget" and insert "financial plan"

Page 16, line 25, delete ", accept"

Page 17, line 15, after "or" insert "the"

Page 19, delete lines 28 to 36

Page 20, delete lines 1 to 19 and insert:

- "Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each year the board shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section 4, subdivision 2, clauses (a), (e), (f), and (g). The financial plan prepared in even-numbered years must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.
- Subd. 3. [EXCEPTION.] The capital budget and financial plan of the board prepared in 1984 need not be submitted to the council until December 1, 1984, and the council has 30 days for review."

Page 23, line 36, delete ", subdivision 3"

Page 45, line 29, delete "extended-term budget" and insert "financial plan"

Page 49, after line 16, insert:

"(1) the advantages and disadvantages of requiring that all contracts for regular route transit services contain provisions for the payment of prevailing wages;"

Page 49, line 17, delete "(1)" and insert "(2)"

Page 49, line 21, delete "(2)" and insert "(3)"

Amend the title as follows:

Page 1, line 24, after the second semicolon insert "174.265; 174.31;"

Page 1, line 26, delete the third semicolon

Page 1, line 27, delete everything before the period

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1127, 1396, 1139, 341, 1433, 868, 1656, 1349 and 1475 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that the name of Mr. Moe, D.M. be added as a co-author to S.F. No. 433. The motion prevailed.

Ms. Berglin moved that the name of Mr. Petty be added as a co-author to S.F. No. 1417. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1429. The motion prevailed.

Ms. Reichgott moved that the names of Messrs. Freeman and Pogemiller be added as co-authors to S.F. No. 1471. The motion prevailed.

Mr. Novak moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1508. The motion prevailed.

Ms. Peterson, D.C. moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1546. The motion prevailed.

Mr. Spear moved that the name of Mr. Diessner be added as a co-author to S.F. No. 1614. The motion prevailed.

Mr. Novak moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1699. The motion prevailed.

Mr. Laidig moved that the names of Messrs. Chmielewski and Jude be added as co-authors to S.F. No. 1709. The motion prevailed.

Mrs. McQuaid moved that the name of Ms. Olson be added as a co-author to S.F. No. 1716. The motion prevailed.

Mrs. McQuaid moved that the name of Ms. Olson be added as a co-author to S.F. No. 1717. The motion prevailed.

Ms. Olson moved that the name of Mr. Luther be added as a co-author to S.F. No. 1719. The motion prevailed.

Mrs. Lantry moved that the name of Mr. Spear be added as a co-author to S.F. No. 1728. The motion prevailed.

Mr. Wegscheid moved that the names of Messrs. Solon, Benson and Belanger be added as co-authors to S.F. No. 1732. The motion prevailed.

Mr. Novak moved that the name of Mr. Frank be added as a co-author to S.F. No. 1735. The motion prevailed.

Mr. Schmitz moved that the names of Messrs. Solon; Moe, R.D. and Spear be added as co-authors to S.F. No. 1775. The motion prevailed.

Mr. Hughes introduced-

Senate Resolution No. 71: A Senate resolution welcoming former state senators back to the Senate upon the occasion of the first general reunion of former senators.

Referred to the Committee on Rules and Administration.

Messrs. Laidig and Diessner introduced—

Senate Resolution No. 72: A Senate resolution congratulating the boys' and girls' cross country and downhill ski teams from Stillwater High School for winning the 1984 State High School Skiing Championships.

Referred to the Committee on Rules and Administration.

Mr. Lessard introduced-

Senate Resolution No. 73: A Senate resolution proclaiming Vietnam POW-MIA Day in Minnesota; requesting the governments of the United States and the Socialist Republic of Vietnam to take all possible actions to determine the fate of persons missing in action in Southeast Asia; urging all Minnesotans to join with the families of those who are missing in the hope that their long wait will soon be over.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 74: A Senate resolution commending Clayton Johnson for his public service to the people of Minnesota on the occasion of his retirement from state service on March 2, 1984.

Referred to the Committee on Rules and Administration.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Isackson, Bernhagen, Anderson, Frederickson and Johnson, D.E. introduced—

S.F. No. 1798: A bill for an act relating to state government; providing deadlines for job applications for state jobs; proposing new law coded in Minnesota Statutes, chapter 43A.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich; Johnson, D.J. and Spear introduced-

S.F. No. 1799: A bill for an act relating to utilities; setting maximum interest charge on delinquent utility billings; proposing new law coded in Minnesota Statutes, chapter 216B.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Peterson, R.W.; Chmielewski; Davis and Dicklich introduced—

S.F. No. 1800: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing the issuance of state bonds; appropriating money.

Referred to the Committee on Finance.

Mr. Wegscheid introduced-

S.F. No. 1801: A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

Referred to the Committee on Veterans and General Legislation.

Mr. Samuelson introduced—

S.F. No. 1802: A bill for an act relating to the town of Green Prairie; permitting the town to exercise certain powers.

Referred to the Committee on Local and Urban Government.

Mrs. Adkins introduced-

S.F. No. 1803: A bill for an act relating to motor vehicles; prohibiting registration of a motor vehicle reported as being a total loss; proposing new law coded in Minnesota Statutes, chapter 168.

Referred to the Committee on Transportation.

Mr. Peterson, R.W. introduced—

S.F. No. 1804: A bill for an act relating to dogs; authorizing persons to destroy certain dogs; declaring certain dogs to be public nuisances; changing certain procedures relating to dogs; requiring certain vaccinations; protecting guide dogs; imposing penalties; amending Minnesota Statutes 1982, sections 347.03; 347.04; 347.06; 347.11, subdivision 1; 347.14, subdivision 1; and 347.17; proposing new law coded in Minnesota Statutes, chapters 347 and 609; repealing Minnesota Statutes 1982, sections 347.05 and 347.07.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Wegscheid introduced-

S.F. No. 1805: A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

Referred to the Committee on Economic Development and Commerce.

Messrs. Jude, Knaak and DeCramer introduced-

S.F. No. 1806: A bill for an act relating to public utilities; telephone companies; requiring public utility commission review and approval of transactions involving a transfer of assets between a regulated utility and a corporation or person having an affiliated interest in the utility; amending Minnesota

Statutes 1982, section 216B.48, subdivisions 1, 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 216B and 237.

Referred to the Committee on Public Utilities and State Regulated Industries.

Ms. Peterson, D.C.; Messrs. Merriam, Benson and Peterson, R.W. introduced—

S.F. No. 1807: A bill for an act relating to commerce; clarifying the right of indirect purchasers to sue for damages under the Minnesota Antitrust Law of 1971; amending Minnesota Statutes 1982, section 325D.57.

Referred to the Committee on Judiciary.

Mr. Johnson, D.E. introduced-

S.F. No. 1808: A bill for an act relating to Kandiyohi county; permitting the county to use city outlet payments to reduce assessments for benefits from county ditches 10 and 46.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Peterson, D.C. introduced-

S.F. No. 1809: A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, sections 123.32, subdivision 7; 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01 to 206.23.

Referred to the Committee on Elections and Ethics.

Ms. Peterson, D.C. introduced-

S.F. No. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Ms. Peterson, D.C. introduced—

S.F. No. 1811: A bill for an act relating to public improvements; providing for rehabilitation and renovation at the Minneapolis veterans home; authorizing issuance of state bonds; appropriating money.

Referred to the Committee on Finance.

Mr. Johnson, D.E. introduced—

S.F. No. 1812: A bill for an act relating to public waters and wetlands;

clarifying certain terms; amending Minnesota Statutes 1982, section 105.37, subdivision 14.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Wegscheid, Lessard, DeCramer, Solon and Willet introduced-

S.F. No. 1813: A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

Referred to the Committee on Economic Development and Commerce. Mr. Dieterich questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Peterson, D.L.; Sieloff; Dieterich and Knaak introduced—

S.F. No. 1814: A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.

Referred to the Committee on Economic Development and Commerce.

Messrs. Stumpf, Dicklich, Ms. Berglin, Messrs. Johnson, D.E. and Schmitz introduced—

S.F. No. 1815: A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 317.

Referred to the Committee on Health and Human Services.

Mr. Storm introduced—

S.F. No. 1816: A bill for an act relating to the legislature; providing for a statement of economic impact for bills and rules; proposing new law coded in Minnesota Statutes, chapters 3 and 14.

Referred to the Committee on Governmental Operations.

Messrs. Storm and Anderson introduced-

S.F. No. 1817: A bill for an act relating to marriage dissolution; imposing a penalty for delinquency in paying child support; proposing new law coded in Minnesota Statutes, chapter 518.

Referred to the Committee on Judiciary.

Messrs. Kamrath, Frederickson, Mrs. McQuaid and Mr. Peterson, D.L. introduced—

S.F. No. 1818: A bill for an act relating to school districts; reducing the

basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

Referred to the Committee on Education.

Ms. Berglin and Mr. Diessner introduced-

S.F. No. 1819: A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Ms. Berglin and Mr. Diessner introduced—

S.F. No. 1820: A bill for an act relating to public welfare; allowing reimbursement for certain services under the state general assistance medical care program; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

Referred to the Committee on Health and Human Services.

Messrs. Peterson, R.W.; Knaak; Sieloff and Freeman introduced—

S.F. No. 1821: A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 354.10; 507.291; 507.292; 507.293; 507.39; 524.5-502; 524.5-505; and 528.16.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced-

S.F. No. 1822: A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

Referred to the Committee on Governmental Operations.

Mr. Peterson, C.C. introduced-

S.F. No. 1823: A bill for an act relating to county humane societies; allowing for an increase in the appropriation a county may give to a county humane society in any year; amending Minnesota Statutes 1982, section 343.11.

Referred to the Committee on Veterans and General Legislation.

Mr. Peterson, C.C. introduced—

S.F. No. 1824: A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

Referred to the Committee on Local and Urban Government.

Mr. Peterson, C.C. introduced-

S.F. No. 1825: A bill for an act relating to Otter Tail County; authorizing the county board to adopt an ordinance for the control of dogs and cats.

Referred to the Committee on Local and Urban Government.

Messrs. Freeman, Solon, Wegscheid, Ms. Peterson, D.C. and Mr. Luther introduced—

S.F. No. 1826: A bill for an act relating to state government; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections 116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Commerce.

Messrs. Freeman, Petty, Laidig, Belanger and Solon introduced—

S.F. No. 1827: A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

Referred to the Committee on Economic Development and Commerce.

Mr. Ulland introduced-

S.F. No. 1828: A bill for an act relating to criminal procedure; providing for the disposition of certain fines and penalties; amending Minnesota Statutes 1983 Supplement, section 487.33, subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Anderson, Storm, Frederick, Isackson and Bernhagen introduced—

S.F. No. 1829: A bill for an act relating to the legislature; providing a minimum time between final agreement upon a conference committee report and floor action; proposing new law coded in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Messrs. Stumpf, DeCramer, Novak and Peterson, C.C. introduced—

S.F. No. 1830: A bill for an act relating to transportation; requiring the rear car of trains to be an occupied caboose car; requiring caboose cars to be equipped with a shortwave radio; imposing a penalty; amending Minnesota Statutes 1982, sections 219.56 and 219.97, subdivision 6.

Referred to the Committee on Transportation.

Mr. Kroening, Ms. Peterson, D.C.; Messrs. Spear and Petty introduced—

S.F. No. 1831: A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

Referred to the Committee on Local and Urban Government.

Mr. Spear introduced-

S.F. No. 1832: A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on an inmate's scheduled release date; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Petty and Dahl introduced-

S.F. No. 1833: A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26

Referred to the Committee on Judiciary.

Messrs. Petty, Dahl and Peterson, R.W. introduced-

S.F. No. 1834: A bill for an act relating to corporations; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in the bylaws of a certain provision relating to the voting power of shares; providing for cumulative voting for directors; providing a time limit on claims rejected by a corporation; amending Minnesota Statutes 1982, sections 302A.111, subdivisions 2 and 3; 302A.445, subdivision 3; and 302A.729, subdivision 1; Minnesota Statutes 1983 Supplement, sections 300.083, subdivision 6; and 302A.521, subdivision 6.

Referred to the Committee on Judiciary.

Mr. Petty introduced-

S.F. No. 1835: A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

Referred to the Committee on Local and Urban Government.

Mr. Petty introduced-

S.F. No. 1836: A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivision 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

Referred to the Committee on Judiciary.

Messrs. Petty, Ulland, Freeman, Solon and Luther introduced-

S.F. No. 1837: A bill for an act relating to banks and banking; authorizing

interstate acquisition and formation of banks between this state and certain states on a reciprocal basis; proposing new law coded in Minnesota Statutes, chapter 48.

Referred to the Committee on Economic Development and Commerce.

Mr. Petty, Mrs. Lantry, Mr. Dicklich and Ms. Berglin introduced-

S.F. No. 1838: A bill for an act relating to public welfare; requiring county boards to provide services to mentally ill persons; specifying duties of the commissioner; authorizing rulemaking; proposing new law coded as Minnesota Statutes, chapter 253C.

Referred to the Committee on Health and Human Services.

Messrs. Dieterich and Peterson, D.L. introduced-

S.F. No. 1839: A bill for an act relating to public welfare; providing for the recoupment and set-off of overpayments in the general assistance program; extending the right of a welfare agency to reimbursement for medical assistance paid by other sources to a recipient of Minnesota supplemental aid; placing the primary reimbursement on the recipient; amending Minnesota Statutes 1982, section 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 256D.06, subdivision 5.

Referred to the Committee on Health and Human Services.

Messrs. Schmitz, Jude, Bertram and Frederick introduced-

S.F. No. 1840: A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Referred to the Committee on Transportation.

Messrs. Merriam; Willet; Peterson, C.C.; Ulland and Dicklich introduced—

S.F. No. 1841: A bill for an act relating to natural resources; providing for peatland designation; creating peatland protection areas in the outdoor recreation system; providing for acquisition of certain peatlands from the bureau of land management; amending Minnesota Statutes 1982, sections 86A.04; 86A.05, by adding a subdivision; 86A.08, subdivision 1; and 86A.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 85.

Referred to the Committee on Agriculture and Natural Resources.

Messrs, Lessard; Moe, R.D. and Peterson, C.C. introduced—

S.F. No. 1842: A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Referred to the Committee on Local and Urban Government. Mr. Spear questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Freeman introduced-

S.F. No. 1843: A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 15, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FOURTH DAY

St. Paul, Minnesota, Thursday, March 15, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. James P. Needham.

The roll was called, and the following Senators answered to their names:

Adkins	Dicklich	Knaak	Moe, R.D.	Schmitz
Anderson	Diessner	Knutson	Novak	Sieloff
Belanger	Dieterich	Kroening	Olson	Solon
Benson	Frank	Kronebusch	Pehler	Spear
Berg	Frederick	Laidig	Peterson, C.C.	Storm
Berglin	Frederickson	Langseth	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Lantry	Peterson, R.W.	Taylor
Bertram	Hughes	Lessard	Petty	Ulland
Brataas	Isackson	Luther	Pogemiller	Vega
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Reichgott	Wegscheid
Davis	Jude	Merriam	Renneke	Willet
DeCramer	Kamrath	Moe, D.M.	Samuelson	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Nelson; Peterson, D.L. and Ramstad were excused from the Session of today.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 14: A Senate concurrent resolution relating to Joint Rules; deadlines in even-numbered years; amending Joint Rule 2.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 12, 1984

Mr. President:

I have the honor to announce the adoption by the House of the following

Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 15: A Senate concurrent resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 12, 1984

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 8: A House concurrent resolution relating to adjournment of the House of Representatives for more than three days.

BE IT RESOLVED by the House of Representatives, the Senate concurring:

- (1) Upon its adjournment on Thursday, March 15, 1984, the House of Representatives may set its next day of meeting for Wednesday, March 21, 1984.
- (2) By adoption of this resolution, the Senate consents to the adjournment of the House for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 12, 1984

Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1156 and 1304.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 12, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1156: A bill for an act relating to the revisor of statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; amending Minnesota Statutes 1982, sections 15.18; 16.02, subdivision 24; 60B.01, subdivision 1; 336.1-101; 480.057; and 524.1-101; proposing new law coded in Minnesota Statutes, chapter 645; proposing new law coded as Minnesota Statutes, chapter 3C; repealing Minnesota Statutes 1982, sections 645.03; 645.04; 645.05; and 645.06; and chapters 482 and 648.

Referred to the Committee on Judiciary.

H.F. No. 1304: A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, section 609.53, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

- Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.
- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1506: A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 3, after "buildings" insert ", but only upon a petition pursuant to section 429.031, subdivision 3"

Page 3, after line 3, insert:

- "Sec. 3. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:
- Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081. In the case of a petition for the installation of a fire protection system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection system."
- Page 3, line 18, after "or" insert ", in the case of bonds for fire protection systems,"
- Page 3, line 33, after "pledged" insert " and the bonds are issued to finance a fire protection system,"

Page 3, line 34, delete the comma

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "subdivision 1;" insert "429.031, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 697: A bill for an act relating to the disposal and reuse of waste tires; defining terms; establishing a waste tire recycling account in the state treasury; providing for the expenditure of money in the account; granting certain powers to counties relative to tire dumps and the disposal of waste tires; defining duties and responsibilities of the pollution control agency; authorizing certain studies; providing for the licensure and regulation of waste tire processors; imposing an excise tax supplemental to the general sales tax on the sale at retail of new tires; imposing a registration and transfer tax on certain vehicles; providing for certain tax credits; appropriating money; amending Minnesota Statutes 1982, sections 86.11, by adding a subdivision; and 290.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 168B.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [115A.90] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 13.

- Subd. 2. [AGENCY.] "Agency" means the pollution control agency.
- Subd. 3. [COLLECTION SITE.] "Collection site" means a permitted site, or a site exempted from permit, used for the storage of waste tires.
- Subd. 4. [COMMISSIONER.] "Commissioner" means commissioner of energy and economic development.
- Subd. 5. [PERSON.] "Person" has the meaning given in section 116.06, subdivision 8.
- Subd. 6. [PROCESSING.] "Processing" means producing or manufacturing usable materials, including fuel, from waste tires including necessary incidental temporary storage activity.
- Subd. 7. [TIRE.] "Tire" means a pneumatic tire or solid tire for motor vehicles as defined in section 169.01.
- Subd. 8. [TIRE COLLECTOR.] "Tire collector" means a person who owns or operates a site used for the storage, collection, or the deposit of more than 50 waste tires.
 - Subd. 9. [TIRE DUMP.] "Tire dump" means an establishment, site, or

place of business without a required permit under section 2 that is maintained, operated, used, or allowed to be used for storing, keeping, or depositing unprocessed waste tires.

- Subd. 10. [TIRE PROCESSOR.] "Tire processor" means a person engaged in the processing of waste tires.
- Subd. 11. [WASTE TIRE.] "Waste tire" means a tire that is no longer suitable for its original intended purpose because of wear, damage, or defect.

Sec. 2. [115A.902] [PERMIT.]

Subdivision 1. [PERMIT REQUIRED.] A tire collector or tire processor with more than 500 waste tires shall obtain a permit from the agency unless exempted in subdivision 2. The agency may by rule require tire collectors or tire processors with less than 500 waste tires to obtain permits unless exempted by subdivision 2.

Subd. 2. [EXEMPTIONS.] A permit is not required for:

- (1) a retail tire seller for the retail selling site if no more than 500 waste tires are kept on the business premises;
- (2) an owner or operator of a tire retreading business for the business site if no more than 3,000 waste tires are kept on the business premises;
- (3) an owner or operator of a business who, in the ordinary course of business, removes tires from motor vehicles if no more than 500 waste tires are kept on the business premises;
- (4) a permitted landfill operator with less than 10,000 waste tires stored above ground at the permitted site; or
- (5) a person using waste tires for agricultural purposes if the waste tires are kept on the site of use.
- Subd. 3. [LOCAL AUTHORITY.] The issuance of an agency permit does not replace a permit or license required under section 400.16 or 473.811.
- Subd. 4. [PERMIT FEE.] The revenue from permit fees shall be credited to the waste tire collection account.

Sec. 3. [115A.904] [LAND DISPOSAL PROHIBITED.]

The disposal of waste tires in the land is prohibited after July 1, 1985. This does not prohibit the storage of unprocessed waste tires at a collection or processing facility.

Sec. 4. [115A.906] [WASTE TIRE NUISANCE; ABATEMENT.]

Subdivision 1. [NUISANCE.] A tire dump unreasonably endangers the health, safety, and comfort of individuals and the public and is a nuisance.

Subd. 2. [ABATEMENT.] The agency may, after notice and hearing, abate a tire dump nuisance by entering the property where the tire dump is located, taking tires into public custody, and providing for their processing and removal. The tire collector responsible for the tire dump is liable for the costs of abatement. The attorney general may bring an action to recover amounts spent by the agency for abatement. Amounts recovered, including money paid under an agreement, stipulation, or settlement shall be credited

to the waste tire collection account.

Subd. 3. [OTHER ABATEMENT.] This section does not change the existing authority of a person or political subdivision to abate a tire dump nuisance. The agency may reimburse a person or political subdivision for the costs of abatement from the waste tire collection account.

Sec. 5. [115A.908] [TRANSFER FEE.]

- Subdivision 1. [FEE CHARGED.] A fee of \$4 shall be charged on the transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The fee shall be collected in an appropriate manner by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer fee unless the fee is paid. The fee may not be charged on the transfer of:
 - (1) previously registered vehicles if the transfer is to the same person;
- (2) vehicles subject to the conditions specified in section 297A.25, subdivision I, clauses (j), (l), (m), and (n);
- (3) common carrier vehicles engaged in interstate commerce, licensed and operating under interstate commerce commission requirements; or
- (4) vehicles purchased in another state by a resident of another state if more than 60 days have elapsed after the date of purchase and the purchaser is transferring title to this state and has become a resident of this state after the purchase.
- Subd. 2. [DEPOSIT OF REVENUE.] One-half of the revenue collected shall be credited to the waste tire recycling account within the economic development fund and one-half shall be credited to the waste tire collection account.
 - Subd. 3. [REPEALER.] This section is repealed on December 31, 1994.
 - Sec. 6. [115A.912] [WASTE TIRE COLLECTION ACCOUNT.]
- Subdivision 1. [ESTABLISHMENT; PURPOSE.] The commissioner of finance shall establish a waste tire collection account. The interest attributable to the investment of money in the account shall be credited to the account. Money in the account is appropriated to the agency and may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, and clean up of waste tires. Not more than ten percent of the annual receipts may be spent for administrative costs.
- Subd. 2. [PRIORITIES FOR SPENDING.] In spending the money in the account the following criteria shall be applied to establish priorities: (1) tire dumps or collection sites determined by the agency to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.
- Subd. 3. [CONTRACTS WITH COUNTIES.] The agency may contract with counties for the abatement of waste tire nuisances.
 - Sec. 7. [115A.914] [RULES; COUNTY PLANNING; ORDINANCES.]
 - Subdivision 1. [RULES.] The agency and the commissioner shall adopt

rules for administration of sections 2, 4, and 6.

- Subd. 2. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency rules.
- Sec. 8. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:
- Subd. 8a. [WASTE TIRE RECYCLING LOAN.] "Waste tire recycling loan" means a loan to a business to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, and capital improvements for waste tire processing as defined in section 1, subdivision 6.
- Sec. 9. Minnesota Statutes 1982, section 116J.89, is amended by adding a subdivision to read:
- Subd. 1d. [WASTE TIRE RECYCLING ACCOUNT.] There is created within the economic development fund a waste tire recycling account. Money in the account may only be spent as authorized under section 10.
- Sec. 10. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 2a. [WASTE TIRE RECYCLING LOANS AND GRANTS.] The authority may make waste tire recycling loans to businesses. Applications for the loans are not complete unless the waste tire recycling project for which the loan is to be made is certified to be technically feasible by the director of the pollution control agency. The authority may make grants from the waste tire recycling account for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant must be less than \$30,000 and may not exceed 75 percent of the costs of the study.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:
- Subd. 4. It may adopt, amend, and repeal permanent or temporary rules not inconsistent with the provisions of sections 116J.88 116J.875 to 116J.91 as necessary to effectuate its purposes.

Sec. 12. [COLLECTION AND INCINERATION STUDY.]

- (a) The director of the agency shall make a study, report, and recommendations of the following:
- (1) the number and geographical distribution of waste tires generated and existing tire dumps and collection sites;
- (2) financial responsibility requirements needed to cover tire collectors and processors;
 - (3) the optimum location of collection sites to facilitate tire processing;
- (4) alternative methods to collect waste tires in small tire dumps and to collect tires from waste tire generators, including costs;

- (5) the options for waste tire recycling, their current use, and the feasibility of future use;
- (6) methods to establish reliable sources of waste tires for waste tire users; and
- (7) The types of facilities in Minnesota that can utilize waste tires as a fuel source, the cost of equipment needed to modify existing types of facilities, the cost of test burns, the feasibility of operating each type of facility utilizing waste tires as a fuel source, and the location of those facilities.
- (b) The report shall include recommendations for establishing a statewide waste tire collection system.
- (c) The director of the agency shall submit an interim report to the legislature and the governor by December 31, 1984 and a final report by April 1, 1985.

Sec. 13. [ADAPTATION OF UNIVERSITY OF MINNESOTA BOILER PLANT.]

The University of Minnesota shall determine which of the University of Minnesota boiler plants in the metropolitan area is most suitable for utilizing waste tires as a fuel source by September 1, 1984. The University of Minnesota, with agency supervision, shall conduct test burns, make measurements, and make a report describing the results and how waste tires may be used as a long-term fuel source for the plant. The report shall include the necessary collection, transportation, and processing of waste tires. The University of Minnesota shall submit the report to the legislature and the governor by December 31, 1984.

Sec. 14. [APPROPRIATIONS.]

Subdivision 1. [AGENCY.] The sum of \$..... is appropriated from the general fund to the pollution control agency to be available until June 30, 1985:

(1) for establishing rules and	
administrative costs under	
sections 2, 4, 6, 12, and 13	\$
(2) for planning and eliminating	
fire hazards of tire dumps	\$
(3) for the collection and	
incineration study under	
section 12	\$

The complement of the agency is increased by ... positions.

- Subd. 2. [UNIVERSITY OF MINNESOTA.] The sum of \$..... is appropriated from the general fund to the University of Minnesota to make the study, test burns, and report in section 12.
- Subd. 3. [COMMISSIONER.] The sum of \$...... is appropriated from the general fund to the commissioner of energy and economic development to be available until June 30, 1985:
 - (1) for administrative costs and establishing rules under

section 2 \$......

(2) for grants and loans under sections 8, 9, and 10 \$......

Subd. 4. [REIMBURSEMENT.] Amounts spent by the agency and the commissioner of energy and economic development from the appropriations in subdivisions 1 and 2 shall be reimbursed to the general fund before any amounts are credited to either the waste tire recycling account within the economic development fund or the tire collection account. The amount necessary to make the reimbursement is appropriated from the transfer fee collected to the commissioner of finance for transfer to the general fund.

Sec. 15. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; requiring tire collectors and tire processors to obtain a permit; declaring tire dumps a nuisance and providing for abatement; prohibiting land disposal of waste tires; charging a fee on the transfer of vehicles; establishing waste tire recycling and collection accounts; requiring counties to include waste tire collection and processing in their plans; authorizing certain studies; appropriating money; amending Minnesota Statutes 1982, sections 116J.88, by adding a subdivision; 116J.89, by adding a subdivision; and 116J.90, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 115A."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 97: A bill for an act relating to the environment; requiring notice of intent to develop uranium; creating an advisory committee; requiring an environmental analysis and report to the legislature; requiring adoption of a state policy; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 116C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"[URANIUM DEVELOPMENT.]

Section 1. [116C.901] [FINDINGS.]

The legislature finds that, because of the unique properties of uranium, it is in the public interest to study the health, safety, environmental, and economic impacts of uranium mining and development.

Sec. 2. [116C.903] [SHORT TITLE.]

Sections 1 to 14 may be cited as the Uranium Policy and Regulation Development Act.

Sec. 3. [116C,904] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 1 to 15.

- Subd. 2. [BOARD] "Board" means the environmental quality board.
- Subd. 3. [COMMITTEE.] "Committee" means the uranium policy and regulation development committee.
- Subd. 4. [URANIUM DEPOSIT EVALUATION.] "Uranium deposit evaluation" means the mineral deposit evaluation, as defined in section 156A.071, subdivision 9, of a uranium deposit.
- Subd. 5. [URANIUM DEVELOPER.] "Uranium developer" means a person who is in the business of uranium deposit evaluation or uranium mine development.
- Subd. 6. [URANIUM DEVELOPMENT.] "Uranium development" includes uranium deposit evaluation and uranium mine development.
- Subd. 7. [URANIUM MINE DEVELOPMENT.] "Uranium mine development" means extraction or processing of ores and related activities to produce merchantable uranium. Uranium mine development includes surface mining and underground mining, on-site transportation, concentrating, milling, disposing of tailings, and associated activities. Uranium mine development does not include exploratory boring regulated under chapter 156A or uranium deposit evaluation.

Sec. 4. [116C.906] [REQUIREMENTS.]

Subdivision 1. [REQUIREMENTS.] A uranium developer may not begin uranium deposit evaluation or uranium mine development until:

- (1) the developer has filed a petition of intent;
- (2) the committee has been appointed;
- (3) the studies and recommendations required by sections 10 to 12 have been submitted;
- (4) the legislature has received and reviewed the report under section 12 but not later than two years after the legislature received the report from the committee under section 12; and
- (5) all rules required by law for regulation of the uranium development have been adopted.
- Subd. 2. [OTHER STATUTES, RULES.] Sections 1 to 14 do not relieve uranium developers of the duty to comply with all other applicable statutes, rules, and ordinances. Uranium mine development is not allowed until mineland reclamation rules have been adopted under sections 93.44 to 93.51.

Sec. 5. [116C.908] [PETITION OF INTENT.]

Subdivision 1. [PETITION.] Before a uranium developer begins uranium deposit evaluation or uranium mine development the developer shall file a petition of intent with the board. A uranium developer is not required to file more than one petition under this section. The petition shall be in the form required by the board and shall contain information about the location and

nature of the activity, any contemplated discharges of wastes, the potential effect of the proposed action on natural resources, data described in section 156A.071, subdivisions 8 and 9, and other information required by the board. The petition shall be accompanied by a fee of \$50,000.

Subd. 2. [RIGHT OF ENTRY.] The board and other governmental units having authority or duties under sections 1 to 14, and their authorized employees or representatives may enter the property identified in the petition of intent as the location of a proposed uranium development to make inspections and gather information necessary to carry out their duties.

Sec. 6. [116C.91] [URANIUM POLICY AND REGULATION DEVELOPMENT COMMITTEE.]

Subdivision 1. [MEMBERSHIP.] The committee shall consist of the chairman of the board who shall serve as the chairman of the committee, six citizens appointed under subdivision 3, and one representative from each governmental unit that the board determines has authority to regulate the uranium development under subdivision 2.

- Subd. 2. [NOTICE.] The board shall notify the governor and each governmental unit determined by the board to have authority to regulate the proposed uranium development, within 30 days after receiving the first petition of intent, that they should make appointments to the committee.
- Subd. 3. [APPOINTMENTS.] The governor shall appoint three citizens who are residents of counties where the uranium development is proposed in the first petition of intent. The other citizens shall be residents of other areas where the board determines there is likely to be uranium development. The appointments shall be made within 45 days after receiving notice from the board.
- Subd. 4. [TERMS; COMPENSATION.] The terms, compensation, removal, and other provisions relating to the membership of the committee are governed by section 15.059, except that the term of all members is four years from the date of appointment. The committee shall expire four years after the first petition of intent is received or by action of the board if it determines the duties of the committee have been completed.
- Subd. 5. [STAFF.] The board may contract for necessary staff, technical support, and other assistance for the committee. Upon request, other state agencies shall assist the board.

Sec. 7. [116C.912] [MEETINGS; PUBLIC PARTICIPATION.]

Subdivision 1. [MEETINGS.] Committee meetings are open to the public. The committee shall hold at least two meetings each year in a county containing an area that a uranium developer proposes to evaluate or develop. The next meeting in an area must be at least six months after the first meeting in that area. At least one meeting each year must be held in another area of the state where the committee determines there is likely to be uranium development.

Subd. 2. [PUBLIC PARTICIPATION.] The committee shall allow public testimony at the meetings and respond to public concerns. The committee may direct the uranium developer to respond to public concerns in writing.

Sec. 8. [116C.914] [REPORT TO THE LEGISLATURE.]

The committee shall submit a report to the legislature by December 1 of each year. The report shall summarize activities of the committee during the previous year, proposed activities for the next year, and comments and concerns of the public and the uranium developer. This report shall be in addition to other reports required by sections 10 to 12.

Sec. 9. [116C.916] [OBJECTIVES OF THE COMMITTEE.]

The committee shall coordinate a systematic study of the impacts of uranium development and determine the necessary safeguards to protect the resources in the state. The committee shall coordinate, schedule, and facilitate interaction among governmental units, uranium developers, and the public.

Sec. 10. [116C.918] [URANIUM DEVELOPMENT REGULATION REPORT.]

Within 90 days after appointment, the committee shall determine all existing rules and permit requirements of governmental units that have authority to regulate the proposed uranium development. The committee shall make a detailed report of its findings and the procedural steps necessary for a uranium developer to begin uranium development under the existing law and submit it to the legislature. The uranium development regulation report shall be a baseline document that shall be referred to if proposals are made to change or amend the existing procedures and rules.

Sec. 11. [116C.92] [STUDIES; REPORT TO LEGISLATURE.]

Subdivision 1. [DETERMINATION.] Within one year after the committee is appointed, the committee shall analyze the studies that are necessary to evaluate the health, safety, environmental, and economic effects of uranium development, and the estimated cost of each study and report the findings to the legislature. The studies shall not duplicate but may expand on policy studies conducted under Laws 1980, chapter 535, section 11, or conducted by any state or federal agency. The studies are not intended to replace studies required during the permitting process.

- Subd. 2. [FACTORS CONSIDERED.] The committee shall consider potential effects on surface and ground water; potential effects on occupational health and safety; potential air emissions and effects on air quality; potential needs for land reclamation, including agricultural uses; potential effects of disposal of tailings on surface and ground water and on air quality; potential long-term effects of radioactive tailings including effects of low-level radiation; potential effects of uranium development on the economy of the state and communities near proposed sites; estimated costs to the state and to uranium developers of state regulation and monitoring of uranium development; the impact of proposed uranium development on the budgets of state and local governments and the need for new tax policies including a policy to compensate the state for the removal of non-renewable natural resources; and potential health risks and costs to present and future generations.
- Subd. 3. [COMPLETION OF STUDIES.] The board shall provide for the completion of the designated studies.
- Sec. 12. [116C.922] [EVALUATION OF STUDIES; RECOMMENDATIONS TO LEGISLATURE.]

When all of the studies have been completed and evaluated by the committee, the committee shall make a concise report to the legislature of its findings and recommendations for the regulation of uranium development that protects the air, water, land, and other natural resources of the state from pollution, impairment, or destruction and protects the public health, safety, and welfare. The report shall include a summary of comments by the project proponent and the public. The recommendations shall be based on sound scientific, technical, and professional findings and opinion as provided in the studies. The committee shall recommend the governmental units that are most capable of regulating each aspect of uranium development and shall recommend a procedure for the governmental units, the uranium developer, and the public to work together when adopting rules.

Sec. 13. [116C.924] [LOCAL CONTROL.]

Sections 1 to 14 do not limit the authority of local units of government to regulate uranium development.

Sec. 14. [116C.926] [PENALTIES.]

Subdivision 1. [CRIMINAL PENALTY.] A person who violates section 4 is guilty of a gross misdemeanor.

Subd. 2. [CIVIL PENALTY.] A person who violates section 4 is subject to civil penalty in an amount determined by the court, not to exceed \$10,000 per day for each day of violation. The penalty may be recovered by an action brought by the attorney general in the name of the state.

Sec. 15. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the environment; requiring notice of intent to develop uranium; creating a uranium policy and regulation development committee; requiring an environmental analysis and reports to the legislature; requiring meetings and public participation; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 116C."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1258: A bill for an act relating to environment; requiring a permit for test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste through the state; providing penalties; proposing new law coded in Minnesota Statutes, chapter 116C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [116C.705] [FINDINGS.]

The legislature finds that the disposal and transportation of high level radioactive waste is of vital concern to the health, safety, and welfare of the people of Minnesota, and to the economic and environmental resources of Minnesota. To insure the health, safety and welfare of the people, and to protect the air, land, water, and other natural resources in the state from pollution, impairment, or destruction, it is necessary for the state to regulate and control, under the laws of the United States, the exploration for high level radioactive waste disposal within the state of Minnesota. It is the intent of the legislature to exercise all legal authority for the purpose of regulating the disposal and transportation of high level radioactive waste.

- Sec. 2. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 10. [AREA CHARACTERIZATION PLAN.] "Area characterization plan" means the official plan prepared by the department of energy for a specific geographic area outlining the proposed laboratory or field activities to be undertaken to establish the geologic, environmental, social, and economic characteristics of the area.
- Sec. 3. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 11. [AREA RECOMMENDATION REPORT.] "Area recommendation report" means the official report prepared by the department of energy identifying specific geographic areas within a state for further evaluation as a repository for radioactive waste.
- Sec. 4. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 12. [BOARD.] "Board" means the Minnesota environmental quality board.
- Sec. 5. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
 - Subd. 13. [CHAIRMAN.] "Chairman" means chairman of the board.
- Sec. 6. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 14. [CONSULTATION AND COOPERATION AGREEMENT.] "Consultation and cooperation agreement" means the formal agreement, as defined in the Nuclear Waste Policy Act, United States Code, title 42, section 10137(c), between a state and the federal government setting forth procedures for information exchanges, state consultation, and other matters related to repository siting and construction.
- Sec. 7. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 15. [DEPARTMENT OF ENERGY.] "Department of energy" means the United States department of energy.
- Sec. 8. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
 - Subd. 16. [DISPOSE, DISPOSAL.] "Dispose" or "disposal" means the

permanent or temporary placement of high level radioactive waste at a site within the state other than a point of generation.

- Sec. 9. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 17. [HIGH LEVEL RADIOACTIVE WASTE.] "High level radioactive waste" means:
 - (1) irradiated reactor fuel;
 - (2) liquid wastes resulting from reprocessing irradiated reactor fuel;
 - (3) solids into which the liquid wastes have been converted;
- (4) transuranic wastes, meaning any radioactive waste containing alpha emitting transuranic elements, that is not acceptable for near-surface disposal as defined in the Code of Federal Regulations, title 10, section 61.55;
- (5) any other highly radioactive materials that the nuclear regulatory commission or department of energy determines by law to require permanent isolation; or
- (6) any byproduct material as defined in section 11e (2) of the Atomic Energy Act of 1954, United States Code, title 42, section 2014, as amended.
- Sec. 10. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:
- Subd. 18. [POTENTIALLY IMPACTED AREA.] "Potentially impacted area" means the area designated or described in a draft or final area recommendation report or area characterization plan for study or consideration.

Sec. 11. [116C.721] [PUBLIC PARTICIPATION.]

- Subdivision 1. [INFORMATION MEETINGS.] The board shall conduct public information meetings within an area designated in a draft area recommendation report; final area recommendation report; draft area characterization plan; or final area characterization plan. Information meetings shall be held within 30 days after the board receives each of the reports.
- Subd. 2. [NOTICE.] The board shall notify the public of information meetings and the availability of the area recommendation reports and the area characterization plans. Copies of the reports shall be made available for public review and distribution at the board office; the Minnesota geological survey office; regional development commission offices in regions that include a part of the potentially impacted area; county courthouses in counties that include a part of a potentially impacted area; and other appropriate places determined by the board to provide public accessibility.
- Subd. 3. [TRANSMITTAL OF PUBLIC CONCERNS.] The board shall transmit public concerns expressed at public information meetings to the department of energy.
- Sec. 12. [116C.723] [LEGAL AND TECHNICAL ASSISTANCE TO INDIAN TRIBES.]

If an Indian tribal council that has jurisdiction over part of a potentially impacted area within the state requests legal or technical assistance, the board shall provide assistance.

Sec. 13. [116C.725] [DISPOSAL STUDIES.]

Unless the state has executed a consultation and cooperation agreement, a person may not make a study or test of a specific area or site related to disposal including an exploratory drilling; a land survey; an aerial mapping; a field mapping; a waste suitability study; or other surface or subsurface geologic, hydrologic, or environmental testing or mapping.

Sec. 14. [116C.727] [CONSULTATION AND COOPERATION AGREEMENT.]

Subdivision 1. [REQUIREMENT.] Upon notice from the department of energy that Minnesota contains a potentially impacted area, the board shall negotiate a consultation and cooperation agreement with the federal government.

- Subd. 2. [CONDITIONS.] (a) The consultation and cooperation agreement shall include but not be limited to the conditions specified in this subdivision.
- (b) A permit shall be required for all geologic and hydrologic drilling. Conditions of obtaining and retaining the permit shall require:
- (1) compliance with state drilling and drill hole restoration regulations as an exploratory boring under chapter 156A;
- (2) proof that access to the test site has been obtained by a negotiated agreement or other legal process;
- (3) the permittee to pay a fee covering the costs of processing and monitoring drilling activities;
- (4) unrestricted access by the commissioner of health, the commissioner of natural resources, the director of the pollution control agency, the director of the Minnesota geological survey, the county health officer, and their employees and agents to the drilling sites to inspect and monitor the drill holes, drilling operations, and abandoned sites, and to sample air and water that may be affected by drilling;
- (5) submission of splits or portions of a core sample, requested by the commissioner of natural resources or director of the Minnesota geological survey, except that the commissioner or director may accept certified data on the sample in lieu of a sample if certain samples are required in their entirety by the permittee; and
 - (6) that a sample submitted may become property of the state.
- (c) A person who conducts geologic, hydrologic, or geophysical testing or studies shall provide unrestricted access to both raw and interpretive data to the chairman and the director of the Minnesota geological survey or their designated representatives. The raw and interpretive data includes core samples, well logs, water samples and chemical analyses, survey charts and graphs, and predecisional reports. Studies and data shall be made available within 90 days of a formal request by the chairman.
- (d) A person proposing to investigate shall hold at least one public meeting before a required permit is issued, and during the investigation at least once every six months, within the potentially impacted area. The meetings shall

provide the public with current information on progress of the investigation. The person investigating shall respond in writing to the board about concerns and issues raised at the public meetings.

(e) Before a person engages in negotiations regarding property interests in land or water, or permitting activities, the person shall notify the chairman in writing. Copies of terms and agreements shall also be provided to the chairman.

Sec. 15. [116C.731] [TRANSPORTATION OF HIGH LEVEL RADIO-ACTIVE WASTE.]

Subdivision 1. [NOTIFICATION.] Before a shipment of high level radioactive waste is transported in the state, the shipper shall notify the commissioner of public safety. The notice shall include the route, date, and time of the shipment in addition to information required under Code of Federal Regulations, title 10, section 71.5a and section 73.37(f).

- Subd. 2. [ROUTE DETERMINATION.] The commissioner of public safety in consultation with the commissioner of transportation may require a person transporting high level radioactive waste to use alternate routes, dates, or times if the commissioner determines that alternatives are safer than those proposed. The state does not incur any liability by requiring the alternate routes, dates, or times to be used.
- Subd. 3. [TRANSPORTATION FEE.] A person who intends to transport high level radioactive waste shall submit a transportation fee in the amount of \$1,000 for each vehicle carrying high level radioactive waste in each shipment with the information required in subdivision I.
- Subd. 4. [EMERGENCY RESPONSE PLAN.] The commissioner of public safety shall consult with the commissioners of health and transportation, the director of the pollution control agency, and representatives of the federal nuclear regulatory commission, the federal emergency management agency, and the United States department of transportation and before December 1, 1984 shall prepare a plan for emergency response to a high level radioactive waste transportation accident, including plans for evacuation and cleanup. The commissioner of public safety shall report by January 1 of each year to the legislature on the status of the plan and the ability of the state to respond adequately to an accident.
- Subd. 5. [APPLICABILITY.] This section does not apply to radioactive materials shipped by or for the United States government for military, national security, or national defense purposes. This section does not require disclosure of defense information or restricted data as defined in the Atomic Energy Act of 1954, United States Code, title 42, section 2014, as amended.
 - Sec. 16. Minnesota Statutes 1982, section 116C.74, is amended to read:

116C.74 [PENALTIES.]

Subdivision 1. [PENALTIES.] Any person who violates section 116C.72 or who causes radioactive wastes to be shipped in violation of section 116C.73 shall be guilty of a gross misdemeanor and subject to a fine of not more than \$10,000 or a sentence of imprisonment of not more than one year, or both.

Subd. 2. [VIOLATIONS; PENALTIES.] (a) A person who violates sec-

tion 13, 14, or 15 is:

- (1) guilty of a misdemeanor and is subject to a fine of not more than \$10,000; and
- (2) subject to a civil penalty of not more than \$10,000 for each day of violation, payable to the state, and may be ordered by the court to pay to the state an additional sum as compensation for cleanup and for pollution, destruction, or impairment of the environment, including but not limited to contamination of water supplies or water aquifers.
- (b) A violation of section 13, 14, or 15 may be enjoined as provided by law in an action in the name of the state brought by the attorney general.
- (c) This subdivision does not limit other remedies otherwise available to either the state or private parties for violations of section 13, 14, or 15.

Sec. 17. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; amending Minnesota Statutes 1982, sections 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapter 116C."

And when so amended the bill do pass and be re-referred to the Committee on Transportation. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1516: A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; making technical corrections and administrative changes to income tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.03, subdivision 7; and 290A.07, subdivision 2a; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; repealing Minnesota Statutes 1982, sections 290.011; 290.012, subdivisions 1, 3, and 4; 290.101; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, sections 290.012, subdivision 2; and 290A.16; and Laws 1983, chapter 207, section 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 34, after the period, insert "For purposes of the preceding sentence, "federal adjusted gross income" shall not include railroad retirement or social security benefit amounts provided in sections 86 and 72(r) of the Internal Revenue Code of 1954."

Page 8, line 26, after "1954" insert ", railroad retirement benefits as provided in section 72(r) of the Internal Revenue Code of 1954, and sick pay paid under the Railroad Unemployment Insurance Act as provided in section 105(i) of the Internal Revenue Code of 1954, provided that any amount subtracted under this clause may not be subtracted under clause (6)"

Page 19, line 14, after the stricken "(7)" insert "(5)" and reinstate the remaining stricken language

Page 19, line 15, reinstate the stricken language

Page 20, line 17, after the stricken "(14)" insert "(12) For an estate or trust," and reinstate the remaining stricken language

Page 20, lines 18 to 20, reinstate the stricken language

Page 20, line 21, after the stricken "(15)" insert "(13)"

Page 20, line 21, reinstate "To the extent deducted in computing the" and insert "estate or trust's"

Page 20, line 22, reinstate "federal" and after the stricken "gross" insert "taxable" and reinstate "income, interest, taxes and other"

Page 20, lines 23 and 24, reinstate the stricken language

Renumber the clauses in sequence

Page 21, lines 26 to 28, reinstate the stricken language

Page 24, line 19, after the stricken "(15)" insert "(13) For an estate or trust." and reinstate the remaining stricken language

Page 24, line 20, reinstate the stricken language

Page 25, line 16, delete "(14)" and insert "(15)"

Page 25, line 22, strike "designated employee"

Page 25, line 24, delete "(13)" and insert "(14)"

Renumber the clauses in sequence

Page 28, line 11, after the comma, insert "or where the straight line method provided in section 168(b)(3) is used, the last taxable year in which an amount of allowable depreciation for that property under section 168 is obtained."

Page 28, after line 17, insert:

"Sec. 8. Minnesota Statutes 1982, section 290.012, subdivision 3, is amended to read:

Subd. 3. "Dependent" means an individual dependent upon and receiving his chief support from the claimant. Payments for support of minor children under a temporary or final decree of dissolution or legal separation, shall be considered as payments by the claimant for the support of a dependent who was claimed or could have been claimed by the claimant on the claimant's federal income tax return as provided in sections 151(e) and 152 of the Internal Revenue Code of 1954, as amended through December 31, 1983. For the purposes of section 290.06, subdivision 3d, a spouse except a divorced or separated spouse shall be considered to be a dependent."

Page 28, line 30, delete "as amended through December 31,"

Page 28, line 31, delete "1983,"

Page 30, line 20, reinstate the stricken "A claimant"

Page 30, line 21, reinstate "as defined in section 290.012" and after the stricken "may" insert "must"

Page 30, line 21, reinstate "pay" and after the stricken "a"insert "the" and reinstate "tax computed under"

Page 30, line 22, reinstate "subdivision 2c as"

Page 30, line 23, reinstate the stricken language and after "by" insert "this credit and by" and after "chapter" insert a period

Page 30, line 25, reinstate "(1) The" and after the stricken "zero" insert "credit provided in this subdivision equals the tax liability" and reinstate "for the following"

Page 30, lines 26 to 36, reinstate the stricken language

Page 31, lines 1 to 18, reinstate the stricken language

Page 31, delete lines 21 to 29

Page 35, line 17, strike "A taxpayer" and insert "An individual"

Page 35, line 18, strike "contributions to"

Page 35, strike line 19

Page 35, line 20, strike "any political party" and insert "political contributions and newsletter fund contributions as defined in section 41 of the Internal Revenue Code of 1954, as amended through December 31, 1983, except that a contribution does not qualify for this credit if it is made to a candidate for elective office from another state"

Page 35, line 22, strike "No credit"

Page 35, strike lines 23 to 27

Page 35, lines 28 and 29, strike the old language and delete the new language

Page 35, delete lines 30 and 31

Page 47, line 13, strike "In the case of an individual,"

Page 47, after line 30, insert:

"(5) The term "regular tax" as defined in section 55(f)(2) of the Internal Revenue Code shall be increased by the amount of the credit allowable under section 38 of the Internal Revenue Code and it shall be computed before the limitation on tax provided in section 1301 of the Internal Revenue Code."

Page 49, line 15, reinstate the stricken language

Page 57, line 32, delete "provided" and insert "determined"

Page 61, line 31, delete "(8)," and after "(9)," insert "(10)," and delete "(11)" and insert "(14)"

Page 63, lines 8 to 22, delete section 35

Page 65, line 6, delete "290.012,"

Page 65, line 7, delete "subdivisions 1, 3, and 4; 290.101;"

Page 65, delete line 8

Page 65, line 9, delete "subdivision 2."

Page 65, line 11, delete "8" and insert "9"

Page 65, line 12, delete "9 to 20, 22 to 33" and insert "8, 10 to 21, 24 to 34"

Page 65, line 14, delete "21" and insert "22"

Page 65, line 16, delete "the day after final enactment" and insert "for taxable years beginning after December 31, 1982, and is intended to confirm the intent of the legislature that for the purposes of section 290.09, subdivision 29, the word "livestock" always has included horses. Section 23 is effective for taxable years beginning after December 31, 1983, except that the provision adjusting the regular tax is effective for taxable years beginning after December 31, 1982"

Page 65, line 17, delete "34 to" and insert "35 and"

Renumber the sections of article 2 in sequence

Page 65, after line 21, insert:

"Section 1. Minnesota Statutes 1982, section 171.31, is amended to read:

171.31 [PERSONS RECEIVING BENEFITS FOR BLINDNESS, DISCOVERY OF INFORMATION.]

The commissioner of public safety, in order to promote highway safety by restricting driving privileges to those persons meeting accepted visual acuity standards, may request and shall receive information concerning the identity and whereabouts of any person who has applied for or received any type of tax, welfare, licensing or other benefits or exemptions for the blind or nearly blind, from the records of all departments, boards, bureaus or other agencies of this state except the department of revenue, and they shall provide such information notwithstanding the provisions of section 268.12, subdivision 12, section 290.61, or any other existing law or regulation to the contrary, except that section 290.61 prohibits disclosure of information by the commissioner of revenue.

Sec. 2. Minnesota Statutes 1983 Supplement, section 176.186, is amended to read:

176.186 [RECORDS FROM OTHER STATE AGENCIES.]

Notwithstanding any other state law to the contrary except section 290.61, the commissioner may obtain from the department of revenue, department of economic security, and office of the secretary of state, or any other state agency, upon request, names or lists of employers doing business in the state. This information shall be treated by the commissioner in the manner provided by chapter 13 and shall be used only for insurance verification by the commissioner."

Page 67, line 1, strike "delivered or shipped" and delete "within this state" and insert "received by"

Page 67, line 2, strike "to" and after "purchaser" insert "at a point" and reinstate "within this state"

Page 68, line 9, delete "employees" and insert "employee"

Page 68, line 10, after "commissioner" insert ", on magnetic media to the extent possible,"

Page 68, line 25, delete "171.31, 176.186,"

Page 68, line 28, after "documents" insert "and information"

Page 70, line 20, after "programs" insert "and automated procedures"

Page 71, line 10, delete "40" and insert "50"

Page 71, line 36, delete "5, and 6" and insert "4, 5, 7, and 8"

Page 72, line 1, delete "4" and insert "6"

Page 72, line 2, delete "7, 8, and 9" and insert "9, 10, and 11"

Renumber the sections of article 3 in sequence

Page 84, after line 36, insert:

"Sec. 14. Minnesota Statutes 1982, section 600.21, is amended to read:

600.21 [COPIES OF RECORD OF DEATH; RECORDATION.]

In all cases of joint tenancy in lands, and in all cases where any estate, title interest in, or lien upon, lands, has been or may be created, which estate, title interest, or lien was, or is, to continue only during the life of any person named or described in the instrument by which such estate, title, interest, or lien was created, a copy of the record of the death of any such joint tenant, or of the person upon whose life such estate, title, interest, or lien was, or is, limited, duly certified by any officer who is required by the law of the state or country in which such record is made, to keep a record of the death of persons occurring within the jurisdiction of such officer, may be recorded in the office of the county recorder of the county in which such lands are situated, and such certified copy or such record thereof in such office, or a duly certified copy of such last mentioned record, shall be prima facie evidence of the death of such person and the termination of such joint tenancy and of all such estate, title, interest, and lien as was, or is, limited upon the life of such person. When a certified copy of such death certificate is attached to an

affidavit of survivorship which, for decedents dying prior to January 1, 1980, has been duly certified by the commissioner of revenue, or an affidavit of survivorship for exempt homestead property in compliance with the provisions of section 291.14, subdivision 2, clause (4), for decedents dying prior to January 1, 1980, the same shall, prior to recordation in the office of the county recorder or registrar of titles, be presented to the county auditor of the county wherein such estate, title, interest, or lien is situated and such county auditor shall note the transfer on his books and shall inscribe upon the instrument over his official signature the words "Transfer entered." Until so presented and indication made thereon, said instrument shall not be entitled to record in the office of the county recorder or registrar of titles of said county.

Sec. 15. Laws 1980, chapter 439, section 36, is amended to read:

Sec. 36. [EFFECTIVE DATE.] Section 26 is effective the day after final enactment. Section 34 is effective on and after December 31, 1983. The remainder of this act is effective for estates of decedents dying after December 31, 1979.

Sec. 16.

Duties imposed upon a spouse or children of a decedent, the personal representative, or the county recorder or registrar of titles under Minnesota Statutes 1978, section 291.14, subdivision 2, clause (4) or subdivision 4 are abolished on and after December 31, 1983."

Renumber the sections of article 4 in sequence

Page 85, line 11, delete "15" and insert "18"

Page 85, line 13, delete "15" and insert "18"

Page 85, line 14, delete "14" and insert "17"

Page 85, line 17, after the period, insert "Sections 14 to 16 are effective on and after December 31, 1983."

Amend the title as follows:

Page 1, line 5, after "tax" insert ", inheritance tax"

Page 1, line 8, after "8;" insert "171.31;" and after "20e;" insert "290.012, subdivision 3;"

Page 1, line 14, delete "290A.03, subdivision"

Page 1, line 15, delete "7; and" and after "2a;" insert "600.21;"

Page 1, line 16, after "sections" insert "176.186;"

Page 1, line 28, after "1;" insert "Laws 1980, chapter 439, section 36;"

Page 1, line 29, delete "290.012, subdivisions 1, 3,"

Page 1, line 30, delete "and 4; 290.101;"

Page 1, line 31, delete "sections 290.012," and insert "section"

Page 1, line 32, delete "subdivision 2; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 1476: A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Pehler from the Committee on Education, to which was referred
- S.F. No. 1145: A bill for an act relating to education; school districts; providing for self-insured, state-wide fringe benefit coverages for employees of school districts; amending Minnesota Statutes 1982, sections 3.855, subdivision 3; 43A.04, by adding a subdivision; 60A.03, by adding a subdivision; 179.65, subdivision 4; 179.66, subdivision 4; 275.125, by adding a subdivision; 471.616, by adding a subdivision; 471.617, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 124 and 471.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [121.60] [DEFINITIONS.]

Subdivision 1. For purposes of sections 1 to 9, the terms defined in this section have the meanings given them.

- Subd. 2. [FUND.] "Fund" means the school employee fringe benefit fund.
- Subd. 3. [BOARD.] "Board" means the school employee fringe benefit board.
- Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of employee relations.
- Subd. 5. [EMPLOYEE.] "Employee" means a person who is a public employee within the definition of section 179.63, subdivision 7, and is employed by an eligible employer or a person employed by a labor organization or employee association certified as an exclusive representative of employees of an eligible employer; the Minnesota school boards association; or another public educational employer approved by the board.
- Subd. 6. [ELIGIBLE EMPLOYER.] "Eligible employer" means one of the following: a school district as defined in section 120.02; an educational cooperative service unit as defined in section 123.58; an intermediate district as defined in section 136C.02, subdivision 7; a cooperative center for vocational education as defined in section 123.351; a regional management information center as defined in section 121.935; a Minnesota education unit organized under the Joint Powers Act, section 471.59.
- Sec. 2. [121.61] [FUND ESTABLISHED.] A school employee fringe benefit fund is established in the state treasury to provide self-funded fringe

benefit coverage. The fund consists of the premiums received from employers participating in the fund. All money in the fund is appropriated to the commissioner to administer the fund and to pay claims made upon the fund.

Sec. 3. [121.62] [BOARD ESTABLISHED.]

Subdivision 1. [MEMBERSHIP; APPOINTMENT.] The school employee fringe benefit board consists of 11 members: four teachers, one other school employee, five public members knowledgeable in the field of insurance and employee benefits, and the commissioner or a designee. The governor shall appoint all of the members of the board, after seeking recommendations from the Minnesota Education Association and the Minnesota Federation of Teachers for members, for terms ending June 30, 1987.

- Subd. 2. [SUBSEQUENT APPOINTMENTS.] The governor shall, after seeking recommendations from the Minnesota Education Association and Minnesota Federation of Teachers, appoint four teachers, as defined in section 179.63, subdivision 13, who represent the exclusive bargaining agents in the same proportion those bargaining agents bear to one another in the total population of participating employees at the time of the appointment. The governor shall appoint other school employees from among remaining fund participants.
- Subd. 3. [TERMS.] Members shall serve four-year terms but half of the members in each appointment category shall be appointed to a two-year term ending June 30, 1989, and half to a four-year term ending June 30, 1981.
- Subd. 4. [EXPENSES.] Members of the board serve without compensation, but receive necessary expenses while attending meetings of the board or meetings of a committee authorized by the board, to be paid out of the fund under section 15.0575. In addition, necessary expenses may include the salary of a substitute teacher whom the employing unit is required to hire. The board may reimburse the employing unit for the salary of the substitute teacher. Members of the board shall suffer no loss of compensation because of service on or for the board or a committee authorized by the board.
- Subd. 5. [MEETINGS.] Members of the board elect one member to be chair of the board and the chair is responsible for calling and presiding at all board meetings. The board shall meet regularly at a time it determines. Special meetings may be held at any time at the call of the chair or any three board members.

Subd. 6. [DUTIES.] The board shall:

- (1) establish the level of benefits consistent with sections 5 to 7 and the amount of premium consistent with section 8, and shall make these determinations by May 15, 1985;
 - (2) establish the effective dates for group insurance contracts;
- (3) establish effective dates for changes in coverage and changes in premium payments;
- (4) determine eligibility requirements for active and retired employees and for dependents;
- (5) report annually to the legislative commission on employee relations a detailed statement of assets and liabilities, the amount and character of the

business transacted, and money reserved and expended during the previous year; and

(6) establish procedures for holding school district elections on the question of participation in and withdrawal from the fund.

Sec. 4. [121.63] [DUTIES OF COMMISSIONER.]

The commissioner shall:

- (1) provide staff assistance and technical advice to the board;
- (2) adopt rules to carry out the purposes of the fund; the rules may be adopted as temporary rules under sections 14.29 to 14.36 and, if so adopted, remain in effect through the end of the school year during which they are adopted or up to 180 days, whichever is greater;
- (3) contract with one or more carriers to administer the fund consistent with section 43A.23 without regard to sections 471.616 and 471.617;
- (4) procure excess or stop loss coverage as the commissioner deems necessary; and
 - (5) establish necessary accounts and reserves.

Sec. 5. [121.64] [ELIGIBILITY.]

Subdivision 1. [EMPLOYER-PAID BENEFIT.] Eligibility for employer-paid benefits shall be determined by a collective bargaining agreement. For employees not represented by an exclusive representative, the employer may determine eligibility subject to board approval. Eligible employees are also entitled to receive coverage from the close of regular classes to the beginning of the following school year.

- Subd. 2. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or on unrequested leave may elect to continue the fringe benefit coverage at the expense of the employee unless otherwise provided by a collective bargaining agreement. This coverage continues until the employee is reemployed and eligible for health care coverage under a group policy or for a period not to exceed five years from the date the benefits would have ceased, whichever is less.
- (b) A participating employee who retires prior to age 65 and is entitled at the time of retirement to receive an annuity under chapters 352, 353, 354, or 354A is eligible to continue to participate at the retiree's expense in the group health, dental, and life plan established by section 7 at premiums established by the board, unless otherwise provided by a collective bargaining agreement. A spouse of a deceased retired employee who receives an annuity under chapters 352, 353, 354, or 354A may purchase the coverage established by this subdivision if the spouse was a dependent under the retired employee's coverage at the time of the death of the retired employee.
- (c) The fringe benefit coverage established by section 7 may continue in the event of a strike permitted by section 179.64, if the exclusive representative chooses to have coverage continue and the employee pays the monthly premiums when due.

Sec. 6. [121.641] [PARTICIPATION IN FUND.]

Subdivision 1. Each exclusive representative for an eligible employer de-

termines whether the employees it represents will participate in the fund. The exclusive representative must give notice to the employer of its determination to participate in the fund prior to the execution of a new collective bargaining agreement. The employer and exclusive representative may by mutual consent determine to participate in the fund at any time. For employees not represented by an exclusive representative, the employer must conduct an election among its eligible employees. The decision to participate in the fund is for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. An eligible employer not participating in the fund may begin to participate by notifying the commissioner. Participation begins the following July 1.

Subd. 2. [WITHDRAWAL.] Once an employer participates in the fund, it continues to participate until the exclusive representative notifies the commissioner of his intention to withdraw. Withdrawal is effective the next July 1 in an odd-numbered year. Where there is no exclusive representative, an election may be held on the withdrawal question if a demonstration of significant interest in withdrawal is made to the commissioner.

Sec. 7. [121.642] [BENEFITS.]

- Subdivision 1. [MANDATORY COVERAGE.] Coverage is established by the board and must include health, dental, and life insurance benefits for eligible employees and health benefits for dependents.
- Subd. 2. [OPTIONAL COVERAGE.] (a) The plan must offer optional dependent dental coverage and optional long-term disability coverage for employees consistent with applicable collective bargaining agreements.
- (b) The board may make available to eligible employees and their dependents other optional coverage provided by carriers selected by the commissioner. This optional coverage requires approval of the exclusive representative and the employer. For employees not represented by an exclusive representative, the employer may offer optional coverage to eligible employees and their dependents.
- Subd. 3. [HEALTH BENEFITS.] (a) The self-funded plan approved by the board is subject to the requirements of chapters 62A and 62E, unless specifically exempted. At a minimum, the self-funded plan must offer the number three qualified plan described in section 62E.06, subdivision 1, or its actuarial equivalent, except as provided in this section. The plan must include a maximum lifetime benefit of not less than \$500,000; an annual deductible amount of \$100 or an annual family deductible of \$300; and a total annual maximum out-of-pocket expense of \$1,000.
- (b) The plan must contain cost containment measures designed to control premium costs. The plan may contain such cost containment measures as: second opinion surgery, presurgery approval for selected procedures, reevaluation of hospital confinement after 14 days, self-auditing bill credit, hospice care, incentives for out-of-hospital testing and surgical procedures, and wellness programs.
- Subd. 4. [HEALTH MAINTENANCE ORGANIZATIONS.] Participating employees may choose to enroll in a health maintenance organization in lieu of the coverage established by this section. The plans available are those offered by the commissioner under section 43A.23. An employee electing

coverage under this subdivision is covered by the life and dental coverage established by this section.

Sec. 8. [121.643] [PREMIUMS.]

- Subdivision 1. [NOTICE.] On receiving notice that a group of employees of an eligible employer elects to participate in the fund, the commissioner shall promptly notify the employer of the total monthly premium.
- Subd. 2. [EMPLOYER CONTRIBUTION.] The employer pays the total monthly premium for employee health, dental, and life benefits. The employer contribution for dependent health benefits shall be determined by a collective bargaining agreement. For employees not represented by an exclusive representative, the employer may make reasonable modifications in these amounts.
- Subd. 3. [OPTIONAL COVERAGE.] The employer and employee contributions toward the premium for optional coverage are determined by a collective bargaining agreement. For an employee not represented by an exclusive representative, the employer determines the amount to be contributed by each.
- Subd. 4. [PAYMENT.] (a) The eligible employer shall pay the total monthly premium to the commissioner. If the total monthly premium of an eligible employer is not paid when due, the unpaid balance bears interest at the rate of 1-1/2 percent per month or any part of a month. Interest collected under this subdivision is deposited in the fund.
- (b) Each eligible employer shall deduct and withhold the amount the employee is required to pay to the fund and shall regularly furnish the employee a statement showing the amount.
- Subd. 5. [NONTAXABLE EMPLOYEE PAYMENTS.] (a) The board shall establish a dependent care assistance program for eligible employees so that it qualifies as a nontaxable employee benefit program under section 129 of the Internal Revenue Code of 1954, as amended through December 31, 1983. The program shall provide that employees may elect to convert part of their salary to dependent care assistance payments. The commissioner shall charge participating employees a fee to cover the cost of administering the program.
- (b) The board shall immediately establish benefit expense accounts for employee-paid premiums that are designed to qualify as nontaxable under section 125 of the Internal Revenue Code of 1954, as amended through December 31, 1983.

Sec. 9. [121.65] [DATA PRIVACY.]

No member of the board, eligible employer, or carrier shall disclose any information about individual claims or total claims of an individual without the consent of the individual, unless necessary to enable them to perform their duties in administering the fund. This provision does not prevent the disclosure of aggregate claims for the group without identification of any individual. A parent or legal guardian of a minor may act on behalf of the minor in the disclosure of a record.

Sec. 10. [APPROPRIATION.]

The sum of \$...... is appropriated to the commissioner of employee relations from the general fund for the purpose of administering the fringe benefit board and fund under sections 1 to 9, to be available for the fiscal year ending June 30, 1985.

The approved staff complement of the department of employee relations is increased by three positions.

Sec. 11. [EFFECTIVE DATE.]

This act is effective the day following final enactment, except that section 7 is effective September 1, 1985."

Delete the title and insert:

"A bill for an act relating to education; providing for self-insured, state-wide fringe benefit coverage for employees of school districts and others; appropriating money; proposing new law coded in Minnesota Statutes, chapter 121."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 176: A bill for an act proposing an amendment to the Minnesota Constitution; repealing article XIII, section 5 which prohibits lotteries.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [PROPOSED AMENDMENT.]

The following amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, article XIII, section 5, will read as follows:

Sec. 5. The legislature shall not authorize any lottery or the sale of lottery tickets except as provided in this section. The legislature may authorize the state or a nonprofit organization for charitable purposes to operate a lottery where the prizes are awarded to persons selected by lot.

Sec. 2. [SUBMISSION TO VOTERS.]

The proposed amendment shall be submitted to the people at the 1984 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to permit the legislature to authorize the state or a nonprofit organization to operate a lottery?

Yes No'''

Delete the title and insert:

"A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; permitting the legislature to authorize certain lot-

teries."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1843: A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, strike "two" and insert "three"

Page 2, line 4, strike "two" and insert "three"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "a" and insert "an objective"

Page 1, line 11, before the period, insert ", including hospital employees"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1559: A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 14, delete "proceeding" and insert "general rate case"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1235: A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1982, section 177.23, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7, is amended to read:
- Subd. 7. "Employee" means any individual employed by an employer but shall not include
- (1) two or less specified individuals employed at any given time in agriculture on a farming unit or operation who are paid on a salaried basis;
- (1a) any individual employed in agriculture on a farming unit or operation who is paid on a salaried basis an amount in excess of what the individual would be paid if the individual worked 48 hours at the state minimum wage plus 17 hours at 1-1/2 times the state minimum wage per week;
- (2) an individual who has not attained the age of 18 who is employed in agriculture on a farm to perform services other than corn detasseling or hand field work when one or both of that minor hand field worker's parents or physical custodians are also hand field workers;
- (2a) for purposes of section 177.24, an individual who has not attained the age of 18 who is employed in agriculture as a corn detasseler;
- (3) any staff member employed with an organized resident or day camp licensed with the state;
- (4) any individual employed in a bona fide executive, administrative, or professional capacity, or a salesman who conducts no more than 20 percent of his sales on the premises of the employer, as those terms are defined and delimited by rules of the department;
- (5) any individual who renders service gratuitously for a nonprofit organization as those terms are defined by rules of the department;
- (6) any individual who serves as an elected official for a political subdivision or who serves on any governmental board, commission, committee or other similar body, or who renders service gratuitously for a political subdivision;
- (7) any individual employed by a political subdivision to provide police or fire protection services or who is employed by an entity whose principal

purpose is to provide police or fire protection services to a political subdivision:

- (8) any individual employed by a political subdivision who is ineligible for membership in the public employees retirement association by reason of the provisions of section 353.01, subdivision 2b, clauses (a), (b), (d), and (i);
- (9) any driver employed by an employer engaged in the business of operating taxicabs;
 - (10) any individual engaged in babysitting as a sole practitioner;
- (10a) any individual employed in domestic service employment to provide companionship services for individuals who because of age or infirmity are unable to care for themselves. The term "companionship services" is defined as that term is defined and interpreted in Code of Federal Regulations, title 29, sections 552.6 and 552.106;
- (11) any individual employed on a seasonal basis in a carnival, circus or fair;
- (12) any individual under the age of 18 employed part-time by a municipality as part of a recreational program;
- (13) any individual employed by the state as a natural resource manager 1, 2, or 3 (conservation officer);
- (14) any individual in a position with respect to which the U.S. Department of Transportation has power to establish qualifications and maximum hours of service pursuant to the provisions of 49 U.S. Code, section 304;
- (15) any individual employed as a seafarer; the term "seafarer" means a master of a vessel or any person subject to the authority, direction and control of the master including but not limited to pilots, sailors, engineers, radio operators, firefighters, watchmen, pursers, surgeons, cooks and stewards, who is exempt from federal overtime standards under 29 U.S.C. section 213(b)(6).
- (16) any individual employed by a county in a single family residence owned by a county home school as authorized under section 260.094 if the residence is an extension facility of that county home school and if the individual as part of his employment duties and remuneration resides at said residence for the purpose of supervising children as defined by section 260.015, subdivision 2."

Amend the title as follows:

Page 1, line 4, delete "1982" and insert "1983 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1102: A bill for an act relating to public welfare; increasing the maximum licensing fee that may be charged under the public welfare licensing act; exempting the department of public welfare from the definition of a

"business license"; amending Minnesota Statutes 1982, sections 116J.70, subdivision 2a; and 245.811.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, before the first "The" insert "Subdivision 1. [COMMIS-SIONER'S AUTHORITY.]"

Page 1, line 17, strike "In no event shall the fee exceed" and delete "\$1,000" and strike the period

Page 1, after line 18, insert:

"Subd. 2. [RULES.] The commissioner may make such reasonable permanent rules and regulations pursuant to chapter 14 as may be necessary to carry into effect the provisions of subdivision 1."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1757: A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 156A.11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "which transfers" and insert "for the purpose of transferring"

Page 2, line 3, delete "an applicant" and insert "the owner of the property on which the vertical heat exchanger is to be installed"

Amend the title as follows:

Page 1, line 5, delete "as" and insert "in"

Page 1, line 6, delete "156A.11" and insert "156A"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1614: A bill for an act relating to mental health; authorizing establishment of a demonstration project for treatment of compulsive gamblers; appropriating money; proposing new law coded in Minnesota Statutes, chapter 240.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, after the period, insert "The commissioner shall deliver a final report to the legislature by January 15, 1986."

Page 2, line 26, before the dollar sign, insert "Subdivision 1. [GENER-ALLY.]"

Page 2, after line 28, insert:

"Subd. 2. [MATCHING FUNDS.] For purposes of implementing section 1, the commissioner of public welfare is authorized to obtain from private or other governmental sources funds at least equal in amount to the sum appropriated by this section."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1685: A bill for an act relating to public welfare; directing the commissioner of public welfare to assess the need for home and community-based services for disabled persons under the age of 65 and apply for a waiver under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1600: A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; amending Minnesota Statutes 1982, section 256D.15; Minnesota Statutes 1983 Supplement, sections 256D.01, subdivision 1; and 256D.111, subdivisions 1, 2, and 5.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 18, delete "the" and insert "these"
- Page 2, line 19, delete "following"
- Page 2, line 20, after "The" insert "general assistance grant shall be reduced no lower than the point at which the"
 - Page 2, line 21, delete "must at least equal" and insert "equals"
 - Page 2, line 25, delete "or"
- Page 2, line 26, after "program" insert ", or on the basis of the relative's disability,"

Page 3, after line 11, insert:

- "Sec. 2. Minnesota Statutes 1982, section 256D.02, subdivision 6, is amended to read:
- Subd. 6. "Child" means an adult or minor child of an individual who is under the age of 18.
 - Sec. 3. Minnesota Statutes 1982, section 256D.02, subdivision 8, is

amended to read:

Subd. 8. "Income" means any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall include amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments exept that. Such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member and the income is not excluded under section 256D.01, subdivision 1a. Goods and services provided in lieu of cash payment shall be excluded from the definition of income, except that payments made for room, board, tuition or fees by a parent, on behalf of a child enrolled in a post-secondary institution, shall be included as income.

Sec. 4. Minnesota Statutes 1982, section 256D.06, subdivision 1, is amended to read:

Subdivision 1. General assistance shall be granted in such an amount that when added to the nonexempt income actually available to the individual or family, the total amount equals the applicable standard of assistance established by the commissioner for general assistance. In determining eligibility for and the amount of assistance the local agency shall disregard the first \$50 of earned income per month. A local agency may disregard available nonexempt income for applicants or recipients who are exempt from work registration requirements under section 256D.111, subdivision 2.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 256D.06, subdivision 5, is amended to read:
- Subd. 5. Any applicant, otherwise eligible for general assistance and possibly eligible for maintenance benefits from any other source, including school financial aid programs, shall (a) make application for those benefits within 30 days of the general assistance application; and (b) execute an interim assistance authorization agreement on a form as directed by the commissioner. If found eligible for benefits from other sources, and a payment received from another source relates to the period during which general assistance was also being received, the recipient shall be required to reimburse the local agency for the interim assistance paid. Reimbursement shall not exceed the amount of general assistance paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period. The commissioner shall adopt rules, and may adopt temporary rules, authorizing local agencies to retain from the amount recovered under an interim assistance agreement 25 percent plus actual reasonable fees, costs, and disbursements of appeals and litigation, of providing special assistance to the recipient in processing the recipient's claim for

maintenance benefits from another source. The money retained under this section shall be from the state share of the recovery. The local agency may contract with qualified persons to provide the special assistance. The rules adopted by the commissioner shall include the methods by which local agencies shall identify, refer, and assist recipients who may be eligible for benefits under federal programs for the disabled. This subdivision does not require repayment of per diem payments made to shelters for battered women pursuant to section 256D.05, subdivision 3."

Page 5, after line 28, insert:

- "For purposes of clause (a) of this subdivision, "full-time student" means a person who is:
- (1) attending training for a minimum of 25 hours per week if the training does not involve shop practice, and for a minimum of 30 hours per week if the training involves shop practice, for a trade or technical student; or
- (2) registered for and passing 12 semester hours per semester or 12 quarter hours per quarter."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 256D.02, subdivisions 6 and 8; 256D.06, subdivision 1; and"

Page 1, line 6, after "1;" insert "256D.06, subdivision 5;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.812, subdivisions 4 and 7, and by adding subdivisions; and 462.357, subdivisions 7, 8, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

- "Section 1. Minnesota Statutes 1982, section 245.783, is amended by adding a subdivision to read:
- Subd. 7. The commissioner shall implement a policy preference for residential facilities serving less than 17 individuals who are mentally retarded."

Page 1, after line 21, insert:

"Sec. 3. Minnesota Statutes 1982, section 245.812, subdivision 3, is

amended to read:

- Subd. 3. A licensed residential facility serving six or fewer persons or a licensed day care facility serving ten 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning."
 - Page 1, line 27, delete "11" and insert "13"
- Page 1, line 29, strike "for purposes of zoning" and insert "if otherwise permitted by a local zoning regulation"
- Page 2, line 20, after the period, insert "The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits."
 - Page 2, line 21, delete "single or"
- Page 2, line 22, delete "multifamily zones" and insert "any zoning district"
- Page 3, line 1, after "facilities," insert "municipalities having highly concentrated residential facility populations,"
- Page 3, line 2, after the period, insert "For purposes of this subdivision, "highly concentrated" means having a population in residential facilities serving seven or more persons that exceeds one-half of one percent of the population of a recognized planning district or other administrative subdivision."
- Page 3, line 5, after "subdivision" insert "including the following requirements:
- (1) No new facility shall be located in any recognized planning district or other administrative subdivision where the population in residential facilities is highly concentrated.
- (2) The county plan shall promote dispersal of highly concentrated residential facility populations.
- (3) The county plan shall promote the development of residential facilities in areas that are not highly concentrated.
- (4) No person in a residential facility shall be displaced as a result of this section until a relocation plan has been implemented that provides for an acceptable alternative placement.
- (5) If the plan provides for the relocation of residential facilities, the relocation shall be completed by January 1, 1990"
 - Page 3, line 5, begin a new paragraph with "If the"
- Page 3, line 12, after the period, insert "The county board has the right to be provided with advance notice and to appeal the commissioner's decision in the manner described in section 256E.06, subdivision 10."
 - Page 3, line 19, delete "245.781" and insert "245.782"
 - Page 3, line 30, delete "ten" and insert "12"
 - Page 4, line 4, delete "11" and insert "13"

Page 4, line 27, after the period, insert "The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits."

Page 4, line 28, delete "single or"

Page 4, line 29, delete "multifamily zones" and insert "any zoning district"

Page 4, line 32, delete "8" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after "sections" insert "245.783, by adding a subdivision;"

Page 1, line 12, after "subdivisions" and before "4" insert "3,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, delete "70A.20" and insert "72A.20"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2;

80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivision 8; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; amending Minnesota Statutes 1983 Supplement, sections 82.22, subdivision 6; and 82.34, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, delete section 3

Page 11, after line 11, insert:

- "Sec. 11. Minnesota Statutes 1983 Supplement, section 82.22, subdivision 13, is amended to read:
- Subd. 13. [CONTINUING EDUCATION.] (a) After July 1, 1978, all real estate salespersons not subject to or who have completed the educational requirements contained in subdivision 6 and all real estate brokers shall be required to successfully complete 45 hours of real estate education, either as a student or a lecturer, in courses of study approved by the commissioner, within three years after their annual renewal date.
- (b) For the purposes of administration, the commissioner shall classify by lot, the real estate brokers and salespersons subject to (a) above, in three classifications of substantially equal size. The first class shall complete 15 hours of approved real estate study between July 1, 1978 and June 30, 1979 inclusive. The second class shall complete 30 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1980 inclusive. The third class shall complete 45 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1981. After the first period, each class shall complete the prescribed educational requirements during successive three year periods.
- (c) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.
- (d) Any program approved by Minnesota Continuing Legal Education shall be approved by the commissioner of securities and real estate commerce for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate. If the course consists of less than 50 percent substantive and procedural knowledge of real estate, credit shall be granted only for the portion directly related to real estate."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, delete "80A.14,"

Page 1, line 21, delete "subdivision 4;"

Page 1, line 26, delete "subdivision 6" and insert "subdivisions 6 and 13"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Com-

merce, to which was referred

S.F. No. 1758: A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; making various technical changes; amending Minnesota Statutes 1982, sections 46.04, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; and 168.67; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 3, insert:

- "Sec. 2. Minnesota Statutes 1982, section 45.071, is amended by adding a subdivision to read:
- Subd. 2a. [CERTAIN TRUST COMPANIES; SECURED DEPOSIT EX-CEPTIONS; VIOLATIONS.] The requirements of this section may be met by trust companies not exercising banking powers, with the exception of deposit activities as defined in this subdivision, provided the following conditions are met:
 - (a) the number of nonfiduciary deposit accounts does not exceed 35; and
- (b) the total amount held in nonfiduciary deposit accounts does not exceed 5 percent of the aggregate of the trust company's capital stock, surplus and undivided profits; and
- (c) the nonfiduciary funds deposited with the trust company referred to in clauses (a) and (b) shall be secured against loss by the assignment, transfer to and deposit with the commissioner of commerce or his designee, of direct obligations of the United States government in an amount, based upon the securities market value, of not less than 110 percent of such deposited funds, with the right of the trust company to collect the income and to substitute other like securities of equal value; and
- (d) each account holder must be disclosed to in writing that the account is not insured by the federal or state governments or their agencies; and
 - (e) the determination of the limitations in clauses (a) and (b) shall be made

by the trust company from the records of the trust company and based upon statement of financial condition at the close of each business day, and security deposit defined in clause (c) adjusted if needed within one business day thereafter; and

(f) any violation of the requirements in clauses (a) through (e) of this subdivision shall be grounds for action by the commissioner under sections 46.24 to 46.33."

Renumber the sections in sequence

Page 8, line 22, after "termination" insert "at the request of the under-writer"

Page 10, line 3, reinstate the stricken language

Page 10, line 4, after "signature" insert ". A valid Wisconsin drivers license without a photograph may be accepted in satisfaction of the requirement of this paragraph until January 1, 1985"

Amend the title as follows:

Page 1, line 25, after "sections" insert "45.071, by adding a subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which were referred the following appointments as reported in the Journal for March 8, 1984:

STATE ETHICAL PRACTICES BOARD

Judith G. Schotzko
Jeff Bertram
Mary Smith
Harmon T. Ogdahl

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1506, 97, 1516, 1476, 1843, 1760, 1563, 1559, 1235, 1757, 1628, 1810, 1750 and 1758 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Vega moved that the name of Mrs. Lantry be added as a co-author to S.F. No. 433. The motion prevailed.

Mr. Laidig moved that the name of Mr. Spear be added as a co-author to S.F. No. 868. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Hughes be added as a co-author to S.F. No. 1332. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Spear be added as a co-author to S.F. No. 1336. The motion prevailed.

- Mr. Wegscheid moved that the name of Mr. Jude be added as a co-author to S.F. No. 1370. The motion prevailed.
- Mr. Peterson, C.C. moved that the name of Mr. Jude be added as a co-author to S.F. No. 1429. The motion prevailed.
- Mr. Moe, R.D. moved that his name be stricken as a co-author to S.F. No. 1430. The motion prevailed.
- Mr. DeCramer moved that the names of Messrs. Lessard, Storm, Mrs. Kronebusch and Mr. Schmitz be added as co-authors to S.F. No. 1431. The motion prevailed.
- Ms. Reichgott moved that the names of Messrs. Freeman; Sieloff; Peterson, R.W. and Knaak be added as co-authors to S.F. No. 1473. The motion prevailed.
- Ms. Reichgott moved that the names of Messrs. Merriam; Peterson, C.C. and Dahl be added as co-authors to S.F. No. 1474. The motion prevailed.
- Mr. Chmielewski moved that the name of Mrs. Adkins be added as a coauthor to S.F. No. 1477. The motion prevailed.
- Ms. Peterson, D.C. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1546. The motion prevailed.
- Ms. Reichgott moved that the names of Mrs. McQuaid and Mr. Merriam be added as co-authors to S.F. No. 1585. The motion prevailed.
- Mr. Laidig moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1630. The motion prevailed.
- Mr. Bertram moved that the names of Messrs. Benson; Berg; Peterson, C.C. and Chmielewski be added as co-authors to S.F. No. 1655. The motion prevailed.
- Mr. Wegscheid moved that the name of Mrs. Adkins be added as a co-author to S.F. No. 1732. The motion prevailed.
- Mr. Schmitz moved that the name of Mr. Taylor be added as a co-author to S.F. No. 1775. The motion prevailed.
- Ms. Berglin moved that the name of Mr. Petty be added as a co-author to S.F. No. 1782. The motion prevailed.
- Ms. Peterson, D.C. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1811. The motion prevailed.
- Mr. Stumpf moved that the name of Mr. Johnson, D.E. be added as a co-author to S.F. No. 1830. The motion prevailed.
- Mr. Kroening moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 1831. The motion prevailed.
- Mr. Lessard moved that the names of Messrs. Bernhagen and Wegscheid be added as co-authors to S.F. No. 1842. The motion prevailed.
- Mr. Freeman moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 1843. The motion prevailed.
 - Mr. Laidig moved that S.F. No. 1710 be withdrawn from the Committee on

Taxes and Tax Laws and re-referred to the Committee on Energy and Housing. The motion prevailed.

Mr. Novak moved that S.F. No. 1734 be withdrawn from the Committee on Agriculture and Natural Resources and returned to its author. The motion prevailed.

Mr. Schmitz introduced-

Senate Resolution No. 75: A Senate resolution congratulating the Hubmen football team from Jordan High School for winning the 1983 Class B State High School Football Championship.

Referred to the Committee on Rules and Administration.

Messrs. Belanger and Freeman introduced-

Senate Resolution No. 76: A Senate resolution congratulating the wrestling team from Bloomington Kennedy High School for winning the 1984 Class AA State High School Wrestling Championship.

Referred to the Committee on Rules and Administration.

Messrs. Laidig and Diessner introduced—

Senate Resolution No. 77: A Senate resolution congratulating the girls' cross country ski team from Stillwater High School for winning the 1984 State High School Skiing Championship.

Referred to the Committee on Rules and Administration.

Messrs. Laidig and Diessner introduced-

Senate Resolution No. 78: A Senate resolution congratulating the boys' downhill ski team from Stillwater High School for finishing second in the 1984 State High School Skiing Championships.

Referred to the Committee on Rules and Administration.

Messrs. Laidig and Diessner introduced—

Senate Resolution No. 79: A Senate resolution congratulating the girls' downhill ski team from Stillwater High School for winning the 1984 State High School Skiing Championship.

Referred to the Committee on Rules and Administration.

Messrs. Laidig and Diessner introduced—

Senate Resolution No. 80: A Senate resolution congratulating the boys' cross country ski team from Stillwater High School for finishing fourth in the 1984 State High School Skiing Championships.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. introduced-

Senate Concurrent Resolution No. 19: A Senate concurrent resolution re-

lating to adjournment for more than three days.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring therein:

- 1. Upon its adjournment on Wednesday, March 21, 1984, the Senate may set its next day of meeting for Monday, March 26, 1984.
- 2. Upon its adjournment on Wednesday, March 21, 1984, the House of Representatives may set its next day of meeting for Monday, March 26, 1984.
- 3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and the House of Representatives each consent to the adjournment of the other for more than three days.
- Mr. Moe, R.D. moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.
- Mr. Kroening moved that S.F. No. 1242, No. 2 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

- S.F. Nos. 1418 and 1454, which the committee recommends to pass.
- S.F. No. 1455, which the committee recommends to pass with the following amendment offered by Mr. Jude:
- Page 3, line 36, delete "three or fewer rooms" and insert "fewer than five beds"

The motion prevailed. So the amendment was adopted.

- S.F. No. 311, which the committee recommends to pass with the following amendment offered by Ms. Berglin:
- Page 2, line 32, after "2," insert "who are not residents or patients of the nursing home, hospital, or boarding care home,"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

- Mr. Sieloff, Mrs. McQuaid, Mr. Knaak and Ms. Olson introduced—
- S.F. No. 1844: A bill for an act relating to state government; reducing the budget reserve account; appropriating money; amending Minnesota Statutes

1983 Supplement, section 16A.15, subdivision 6.

Referred to the Committee on Finance.

Mr. Knaak introduced-

S.F. No. 1845: A bill for an act relating to retirement; public employees police and fire fund membership for Ramsey County correctional officers; options for certain officers; amending Minnesota Statutes 1982, section 353.64, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Novak; Merriam; Johnson, D.J.; Peterson, C.C. and Sieloff introduced—

S.F. No. 1846: A bill for an act relating to mortgages; clarifying mortgage registry tax provisions on mortgages securing lines of credit; providing for priority of recording certain mortgages; amending Minnesota Statutes 1982, section 287.05, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapters 507 and 508.

Referred to the Committee on Taxes and Tax Laws.

Mr. Merriam introduced-

S.F. No. 1847: A bill for an act relating to unemployment compensation; exempting certain successor employing units from the transfer of the predecessor employing unit's experience rate; amending Minnesota Statutes 1982, section 268.06, subdivision 22; Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a.

Referred to the Committee on Employment.

Mr. Freeman introduced—

S.F. No. 1848: A bill for an act relating to taxation; sales and use tax; exempting goods and admissions sold by certain nonprofit organizations; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Jude; Johnson, D.E.; Petty; Luther and Hughes introduced-

S.F. No. 1849: A bill for an act relating to crimes; prohibiting the purchase or sale of human organs; amending Minnesota Statutes 1982, section 145.422, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Frank and Sieloff introduced-

S.F. No. 1850: A bill for an act relating to taxation; sales and use; providing an exemption for capital equipment; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mehrkens introduced—

S.F. No. 1851: A bill for an act relating to labor; creating an employees social responsibility act; providing penalties; proposing new law coded in Minnesota Statutes, chapter 181.

Referred to the Committee on Employment.

Mr. Moe, D.M. introduced-

S.F. No. 1852: A bill for an act relating to state departments and agencies; requiring senate approval for the governor's appointment of state planning director; amending Minnesota Statutes 1983 Supplement, section 116K.02, subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Wegscheid; Moe, D.M.; Kamrath and Renneke introduced-

S.F. No. 1853: A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Langseth introduced-

S.F. No. 1854: A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Referred to the Committee on Transportation. Mr. Schmitz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Pehler introduced—

S.F. No. 1855: A bill for an act relating to education; modifying school district accounting and cash management procedures; removing interest rate limitations on certain school district obligations; amending Minnesota Statutes 1982, sections 121.911, by adding subdivisions; 124.06; 124.42, subdivision 2; 124.43, subdivision 5; 124.75; 124.76; 475.52, subdivision 6, and by adding a subdivision; 475.54, subdivision 2; 475.55; 475.56; 475.58, subdivision 2; 475.62; and 475.67, subdivision 3; Minnesota Statutes 1983 Supplement, section 475.65; repealing Minnesota Statutes 1983 Supplement, section 121.912, subdivision 3.

Referred to the Committee on Education.

Mr. Kamrath introduced-

S.F. No. 1856: A bill for an act relating to local government; providing that orderly annexations be subject to elections under certain circumstances;

amending Minnesota Statutes 1982, section 414.0325, subdivision 3.

Referred to the Committee on Local and Urban Government.

Mr. Kamrath introduced-

S.F. No. 1857: A bill for an act relating to town roads; providing conditions for their construction or maintenance by counties; amending Minnesota Statutes 1982, section 163.16, subdivision 3.

Referred to the Committee on Transportation. Mr. Schmitz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Jude introduced-

S.F. No. 1858: A bill for an act relating to crimes; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, section 609.487, subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Wegscheid, Petty, Solon, Freeman and Laidig introduced-

S.F. No. 1859: A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

Referred to the Committee on Economic Development and Commerce.

Messrs. Luther, Petty, Sieloff, Dieterich and Spear introduced-

S.F. No. 1860: A bill for an act relating to child abuse; clarifying the authority of law enforcement agencies in investigating child abuse; requiring law enforcement to follow certain procedures when interviewing minors on school property; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivision 10.

Referred to the Committee on Judiciary.

Messrs. Dahl, Solon, Luther, Kroening and Freeman introduced—

S.F. No. 1861: A bill for an act relating to insurance; authorizing the adoption of temporary rules relating to the regulation of trade practices; specifying a certain unfair and deceptive act or practice; providing for the venue of injunction proceedings; amending Minnesota Statutes 1982, sections 72A.19, subdivision 2; 72A.20, subdivision 12; and 72A.25, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Messrs. Dahl, Solon, Luther, Kroening and Freeman introduced—

S.F. No. 1862: A bill for an act relating to insurance; regulating insurance

claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12; 72A.23, subdivision 1; and 72A.25, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 72A.

Referred to the Committee on Economic Development and Commerce.

Ms. Peterson, D.C. introduced-

S.F. No. 1863: A bill for an act relating to data privacy; prohibiting the dissemination of data regarding a person's age or birthdate for use in mailing lists; amending Minnesota Statutes 1982, section 13.05, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Diessner; Moe, D.M. and Ms. Berglin introduced-

S.F. No. 1864: A bill for an act relating to administrative procedure; providing for a hearing procedure on certain proposed rules; providing an exemption from the contested case procedures; encouraging the use of negotiated rulemaking; regulating certain incorporations by reference; providing for the adoption of the rule after the hearing; requiring certain information to be contained in a notice to adopt a rule without a public hearing; authorizing interested persons to request a public hearing under certain circumstances; providing for notice of the modification of certain proposed rules; establishing a procedure for the adoption of emergency rules; providing for the expiration of authority for temporary rulemaking; providing for the legal status of certain exempt rules; requiring agencies to maintain official rulemaking records; providing for the judicial determination of the validity of a rule; making various technical changes; amending Minnesota Statutes 1982, sections 14.03. subdivision 2; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.12; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; and 14.21.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced-

S.F. No. 1865: A bill for an act relating to public welfare; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; amending Minnesota Statutes 1982, sections 256B.17, as amended; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.968; 256.969, subdivision 6; and 256B.06, subdivision 1.

Referred to the Committee on Health and Human Services.

Mrs. Kronebusch introduced—

S.F. No. 1866: A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Dicklich introduced—

S.F. No. 1867: A bill for an act relating to occupations and professions; authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

Referred to the Committee on Health and Human Services.

Mr. Dicklich introduced-

S.F. No. 1868: A bill for an act relating to occupations and professions; empowering the board of pharmacy to assess legal costs and fees; amending Minnesota Statutes 1982, section 151.06, subdivision 4.

Referred to the Committee on Health and Human Services. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Frank introduced—

S.F. No. 1869: A bill for an act relating to unemployment compensation; providing for noncharging of certain volunteer firefighter benefits; amending Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3.

Referred to the Committee on Employment.

Mr. DeCramer introduced—

S.F. No. 1870: A bill for an act relating to economic development; regulating enterprise zone creation, designation, and taxation; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivision 4; 273.1313, subdivisions 1, 2, and by adding a subdivision; 273.1314, subdivisions 6, 7, 9, 11, and by adding a subdivision.

Referred to the Committee on Economic Development and Commerce.

Mr. Pogemiller introduced—

S.F. No. 1871: A bill for an act relating to nonprofit corporations; providing for the recording of board votes; amending Minnesota Statutes 1982, section 317.20, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Solon introduced—

S.F. No. 1872: A bill for an act relating to commerce; excluding certain

securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Referred to the Committee on Economic Development and Commerce.

Mr. Benson introduced-

S.F. No. 1873: A bill for an act relating to public welfare; regarding shelter as income if it is provided by a parent to a general assistance recipient; removing the work registration exemption for students in certain post-secondary schools; amending Minnesota Statutes 1982, section 256D.02, subdivision 8; Minnesota Statutes 1983 Supplement, sections 256D.06, subdivision 5; and 256D.111, subdivisions 1 and 2.

Referred to the Committee on Health and Human Services.

Mrs. Lantry introduced-

S.F. No. 1874: A bill for an act relating to crimes; authorizing the governor to appoint a victim of a crime to the sentencing guidelines commission; amending Minnesota Statutes 1982, section 244.09, subdivision 2; Minnesota Statutes 1983 Supplement, section 244.09, subdivision 1.

Referred to the Committee on Governmental Operations.

Ms. Reichgott, Messrs. Wegscheid, Kroening, Dahl and Vega introduced-

S.F. No. 1875: A bill for an act relating to energy; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes 1982, section 116J.19, subdivision 13; Minnesota Statutes 1983 Supplement, sections 116J.09; 116J.18, subdivision 1; and 116J.31; proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Energy and Housing.

Mr. Samuelson introduced-

S.F. No. 1876: A bill for an act relating to health; authorizing the commissioner of insurance to adopt rules related to financial affairs of health maintenance organizations; requiring certificates of authority to be jointly issued by the commissioners of health and insurance; amending Minnesota Statutes 1982, sections 62D.03, as amended; 62D.04; 62D.05, by adding a subdivision; 62D.08; 62D.14; 62D.15, subdivision 1, and by adding a subdivision; 62D.16; 62D.17; 62D.20; and 62D.21.

Referred to the Committee on Health and Human Services.

Messrs. Purfeerst, Solon, Anderson and Samuelson introduced—

S.F. No. 1877: A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.14; 329.15; and 330.10, subdivision 2; repealing Minnesota Statutes 1982, sections 329.10; 329.11; 329.12;

329.13; 329.16; and 329.17, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

Mr. Schmitz and Mrs. Adkins introduced—

S.F. No. 1878: A bill for an act relating to transportation; allowing vending machines in rest areas, tourist information centers, and weigh stations; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; authorizing road authorities to assist each other; reducing a fee; authorizing the commissioner to spend money to acquire or condemn certain outdoor advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; and 173.13, subdivision 7; and Laws 1983, chapter 293, section 2, subdivision 4.

Referred to the Committee on Transportation.

- Mr. Petty, Mses. Berglin; Peterson, D.C.; Messrs. Pogemiller and Spear introduced—
- S.F. No. 1879: A bill for an act relating to agriculture; regulating the bulk sale of food; proposing new law coded in Minnesota Statutes, chapter 31.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Wegscheid introduced—

S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Referred to the Committee on Local and Urban Government.

Mr. Johnson, D.J. introduced—

S.F. No. 1881: A bill for an act relating to taxation; abolishing the native prairie credit; amending Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 290A.04, subdivision 2e; and 297A.253; repealing Minnesota Statutes 1982, section 273.116.

Referred to the Committee on Taxes and Tax Laws. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Wegscheid introduced—

S.F. No. 1882: A bill for an act relating to education; establishing a program for assessment of pupils' vision and hearing; authorizing state aid; appropriating money; proposing new law coded in Minnesota Statutes, chapter 123.

Referred to the Committee on Education.

Ms. Peterson, D.C. introduced—

S.F. No. 1883: A bill for an act relating to occupations and professions; prohibiting the boards of medical examiners and psychology from using evidence of the previous sexual conduct of a patient or client in board proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

Referred to the Committee on Health and Human Services.

Ms. Peterson, D.C. introduced-

S.F. No. 1884: A bill for an act relating to occupations and professions; establishing a task force on sexual exploitation by psychotherapists.

Referred to the Committee on Health and Human Services.

Mr. Diessner introduced—

S.F. No. 1885: A bill for an act relating to Independent School District Number 833, South Washington County; authorizing the transfer of \$500,000 from the capital outlay fund to the general fund; requiring local approval.

Referred to the Committee on Education.

Mr. Solon introduced-

S.F. No. 1886: A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid introduced-

S.F. No. 1887: A bill for an act relating to public safety; requiring persons 16 years and over to complete a course of safe use of firearms as a condition of possessing firearms or using firearms to hunt game; amending Minnesota Statutes 1982, sections 97.81; and 97.83.

Referred to the Committee on Veterans and General Legislation. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Wegscheid introduced-

S.F. No. 1888: A bill for an act relating to consumer protection; requiring nonprofit organizations to meet the same personal solicitation disclosure requirements as other sellers; amending Minnesota Statutes 1982, section 325G.13.

Referred to the Committee on Economic Development and Commerce.

Mr. Knutson introduced—

S.F. No. 1889: A bill for an act relating to juvenile alcohol offenses; requiring driver license revocation if a juvenile attempts to purchase alcohol or

drives after drinking; amending Minnesota Statutes 1982, sections 169.123, subdivisions 4 and 5a; 260.195, subdivision 3; and Minnesota Statutes 1983 Supplement, section 169.123, subdivisions 2 and 6.

Referred to the Committee on Judiciary.

Mr. Novak introduced-

S.F. No. 1890: A bill for an act relating to game and fish; restrictions on power of commissioner; amending Minnesota Statutes 1982, section 97.48, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Petty, Luther and Belanger introduced-

S.F. No. 1891: A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 626.557, by adding a subdivision.

Referred to the Committee on Employment.

Mrs. Kronebusch introduced-

S.F. No. 1892: A bill for an act relating to elections; restricting the eligibility for appointment as election judge; amending Minnesota Statutes 1983 Supplement, section 204B.19, subdivision 2.

Referred to the Committee on Elections and Ethics

Mrs. Kronebusch introduced-

S.F. No. 1893: A bill for an act relating to elections; limiting membership on a county canvassing board; amending Minnesota Statutes 1982, section 204C.31, subdivision 1.

Referred to the Committee on Elections and Ethics.

Mr. Solon introduced-

S.F. No. 1894: A bill for an act relating to education; authorizing the purchase of new series textbooks from the capital expenditure fund; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a.

Referred to the Committee on Education.

Messrs. Pogemiller and Wegscheid introduced-

S.F. No. 1895: A bill for an act relating to state government; providing for purchase of certain computer equipment by state employees; proposing new law coded in Minnesota Statutes, chapter 16.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, R.W.; Moe, R.D. and Pogemiller introduced-

S.F. No. 1896: A bill for an act relating to communications; creating the

Minnesota telecommunications council; appropriating money; proposing new law coded as Minnesota Statutes, chapter 16B.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Peterson, D.L. introduced-

S.F. No. 1897: A bill for an act relating to claims; appropriating money to pay for damages to town roads in the town of Antrim in Watonwan County.

Referred to the Committee on Finance.

Messrs. Dicklich; Johnson, D.J.; Lessard and Solon introduced-

S.F. No. 1898: A bill for an act relating to the iron range resources and rehabilitation board; allowing school districts to levy taxes to repay loans made by the northeast Minnesota economic protection trust; clarifying that the board may lease personal property; removing certain dates; providing that earnings from the investment of funds in the iron range resources and rehabilitation board account are credited to the account; clarifying the limitation on administrative costs; transferring certain unexpended funds to the northeast Minnesota economic protection trust; amending Minnesota Statutes 1982, sections 298.22, subdivision 5; 298.223; Minnesota Statutes 1983 Supplement, sections 275.125, subdivisions 11a, 11b, and 12a; 298.28, subdivision 1; 298.296, subdivision 2; Laws 1982, Second Special Session chapter 2, sections 12, as amended; and 14, as amended.

Referred to the Committee on Economic Development and Commerce.

Messrs. Dicklich, Hughes, Ms. Olson, Mr. Wegscheid and Mrs. Lantry introduced—

S.F. No. 1899: A bill for an act relating to retirement; teachers; adopting a rule of 90 for unreduced annuities; lowering the reduction factor for early retirement; amending Minnesota Statutes 1982, section 354.44, subdivision 6.

Referred to the Committee on Governmental Operations.

Messrs. Moe, R.D.; Bernhagen; Wegscheid; Berg and Stumpf introduced-

S.F. No. 1900: A bill for an act relating to taxation; property; changing computation of the school agricultural credit; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Ms. Peterson, D.C.; Messrs. Davis, Nelson, Stumpf and Pehler introduced —

S.F. No. 1901: A bill for an act relating to education; authorizing an equalized summer school aid and levy; authorizing uses of the aid and levy; amending Minnesota Statutes 1982, sections 124.20; and 124.201, subdivision 1; Minnesota Statutes 1983 Supplement, sections 124.201, subdivisions

2 and 5; and 275.125, subdivision 2k; repealing Minnesota Statutes 1982, sections 124.201, as amended; and 275.125, subdivision 2g; Minnesota Statutes 1983 Supplement, section 275.125, subdivisions 2i and 2j.

Referred to the Committee on Education.

Mr. Johnson, D.E. introduced-

S.F. No. 1902: A bill for an act relating to taxation; repealing the aggregate tax for Stevens, Pope, and Traverse counties; amending Minnesota Statutes 1982, section 298.75, subdivision 1, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dieterich, Jude, Purfeerst and Sieloff introduced-

S.F. No. 1903: A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Wegscheid and Moe, D.M. introduced-

S.F. No. 1904: A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

Referred to the Committee on Economic Development and Commerce. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Peterson, R.W. and Merriam introduced-

S.F. No. 1905: A bill for an act relating to crimes; providing a penalty for falsely reporting a medical emergency; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

Referred to the Committee on Judiciary.

Messrs. Peterson, R.W. and Merriam introduced-

S.F. No. 1906: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the Data Practices Act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.65, subdivision 1; 13.67; and 13.72, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 13.

Referred to the Committee on Judiciary.

Mr. Spear, Mrs. Lantry and Ms. Berglin introduced-

S.F. No. 1907: A bill for an act relating to public welfare; setting eligibility criteria for community social services; appropriating money; amending Minnesota Statutes 1982, section 256E.03, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Pehler introduced-

S.F. No. 1908: A bill for an act relating to education; providing for binding arbitration under certain circumstances between exclusive representatives of teachers and school districts; amending Minnesota Statutes 1982, sections 179.64, subdivision 1a; 179.69, subdivisions 3, 3a, 3b, and by adding a subdivision; 179.691; 179.72, subdivisions 6, 7, 7b, 8, 9, 12, and by adding subdivisions.

Referred to the Committee on Employment.

Ms. Olson introduced—

S.F. No. 1909: A bill for an act relating to teachers; extending the deadline to gain the middle school experience necessary for a license to July 1, 1984.

Referred to the Committee on Education.

Mr. Merriam introduced-

S.F. No. 1910: A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

Referred to the Committee on Taxes and Tax Laws.

Mr. DeCramer introduced—

S.F. No. 1911: A bill for an act relating to transportation; exempting certain local motor carriers from compliance with the vehicle identification rule; amending Minnesota Statutes 1983 Supplement, section 221.031, subdivi-

sion 6.

Referred to the Committee on Transportation.

Mr. DeCramer introduced—

S.F. No. 1912: A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; amending Minnesota Statutes 1982, section 161.16, subdivision 4.

Referred to the Committee on Transportation. Mr. Schmitz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Frank introduced-

S.F. No. 1913: A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.04, subdivisions 5 and 6.

Referred to the Committee on Governmental Operations.

Messrs. Petty, Freeman and Ms. Peterson, D.C. introduced-

S.F. No. 1914: A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

Referred to the Committee on Transportation.

Messrs. Petty, Merriam, Chmielewski and Diessner introduced-

S.F. No. 1915: A bill for an act relating to health; appropriating money for personnel and materials for the Environmental Pathology Laboratory of the University of Minnesota.

Referred to the Committee on Finance.

Messrs. Petty, Frederick, Knutson, Solon and Dicklich introduced-

S.F. No. 1916: A bill for an act relating to public welfare; establishing payments for respite care of mentally retarded, epileptic, or emotionally handicapped children; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

Referred to the Committee on Health and Human Services.

Messrs. Samuelson, Solon, Langseth and Purfeerst introduced-

S.F. No. 1917: A bill for an act relating to economic development; providing for economic development grants to local units of government; appropriating money.

Referred to the Committee on Economic Development and Commerce. Mr. Schmitz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Wegscheid and Davis introduced-

S.F. No. 1918: A bill for an act relating to agriculture; changing procedures for weighing livestock; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 2, 4, 6, 7, 8, and by adding a subdivision; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; and 17A.13; Minnesota Statutes 1983 Supplement, sections 17A.04, subdivision 5; and 17A.06, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 17A.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Nelson, Mrs. Kronebusch and Mr. DeCramer introduced-

S.F. No. 1919: A bill for an act relating to commerce; regulating the sale and operation of video gambling devices; defining terms; providing for the licensing of distributors and operators; requiring location agreements; establishing certain fees; providing for record keeping; prescribing penalties; appropriating money; proposing new law coded in Minnesota Statutes, chapter 349.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Langseth, Dieterich, Stumpf and Peterson, D.L. introduced-

S.F. No. 1920: A bill for an act relating to education; repealing revenue equity aid subtraction; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

Referred to the Committee on Education.

Mr. Schmitz introduced-

S.F. No. 1921: A bill for an act relating to retirement; granting a joint and survivor's disability option benefit to the surviving spouse of a certain deceased member of the Minnesota state retirement system.

Referred to the Committee on Governmental Operations.

Messrs. Solon, Novak, Pogemiller, Sieloff and Knaak introduced-

S.F. No. 1922: A bill for an act relating to intoxicating liquor; permitting exclusive sale by Minnesota wholesalers, distillers, rectifiers or bottlers of

brands they own; amending Minnesota Statutes 1982, section 340.114, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 19, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FIFTH DAY

St. Paul, Minnesota, Monday, March 19, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Joseph Simonson.

The roll was called, and the following Senators answered to their names:

Belanger	Dieterich	Kronebusch	Olson	Schmitz
Benson	Frederickson	Laidig	Pehler	Sieloff
Berg	Freeman	Langseth	Peterson, C.C.	Solon
Berglin	Hughes	Lantry	Peterson, D.C.	Spear
Bernhagen	Isackson	Luther	Peterson, R.W.	Storm
Bertram	Johnson, D.E.	McQuaid	Petty	Stumpf
Brataas	Johnson, D.J.	Mehrkens	Pogemiller	Taylor
Chmielewski	Jude	Merriam	Purfeerst	Ulland
Dahl	Kamrath	Moe, D.M.	Ramstad	Waldorf
Davis	Knaak	Moe, R.D.	Reichgott	Wegscheid
DeCramer	Knutson	Nelson	Renneke	Willet
Diessner	Kroening	Novak	Samuelson	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mrs. Adkins, Messrs. Anderson, Dicklich, Frank, Lessard and Vega were excused from the Session of today.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 19: A Senate concurrent resolution relating to adjournment for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 15, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1456, 1485 and 1491.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 15, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1456: A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

Referred to the Committee on Local and Urban Government.

H.F. No. 1485: A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

Referred to the Committee on Elections and Ethics.

H.F. No. 1491: A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

Referred to the Committee on Transportation.

REPORTS OF COMMITTEES

- Mr. Willet moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 1224 and reports pertaining to appointments. The motion prevailed.
- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1520: A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; reducing 2,000-pound limitation to three-fourths ton for motor vehicles in certain situations; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; requiring a bond in the amount of tax to be paid in installments; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9, 13, 28, and 29; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; and 169.01, subdivisions 10, 11, and 50; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision

1e; 168.021, subdivision 1; 168.12, subdivision 2; and 169.73.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete sections 3 and 4

Page 7, delete section 8

Page 21, line 2, delete the colon

Page 21, lines 4 to 10, delete the new language

Page 21, lines 16 to 22 and 35 and 36, reinstate the stricken language

Page 22, lines 1 and 2, reinstate the stricken language

Pages 25 and 26, delete section 26 and insert:

"Sec. 23. Minnesota Statutes 1983 Supplement, section 169.974, subdivision 2, is amended to read:

Subd. 2. [LICENSE REQUIREMENTS.] No person shall operate a motorcycle on any street or highway unless he has a valid standard driver's license with a two-wheeled vehicle endorsement as provided by law. No such two-wheeled vehicle endorsement shall be issued unless the person applying therefor has in possession a valid two-wheeled vehicle instruction permit as provided herein, has passed a written examination and road test administered by the department of public safety for such endorsement, and, in the case of applicants under 18 years of age, shall present a certificate or other evidence of having successfully completed an approved two-wheeled vehicle driver's safety course in this or another state, in accordance with rules promulgated by the state board of education for courses offered through the public schools, or rules promulgated by the commissioner of public safety for courses offered by a private or commercial school or institute. The commissioner of public safety may waive the road test for any applicant if he determines that the applicant possesses a valid license to operate a twowheeled vehicle issued by a jurisdiction that requires a comparable road test for license issuance. A two-wheeled vehicle instruction permit shall be issued to any person over 16 years of age, who is in possession of a valid driver's license, who is enrolled in an approved two-wheeled vehicle driver's safety course, and who has passed a written examination for such permit and has paid such fee as the commissioner of public safety shall prescribe. A two-wheeled vehicle instruction permit shall be effective for 45 days, and may be renewed under rules to be prescribed by the commissioner of public safety.

No person who is operating by virtue of a two-wheeled vehicle instruction permit shall:

- (a) Carry any passengers on the streets and highways of this state on the motorcycle which he is operating;
 - (b) Drive the motorcycle at night time;
- (c) Drive the motorcycle on any highway marked by the commissioner as an interstate highway pursuant to title 23 of the United States Code-; or
 - (d) Drive the motorcycle without wearing protective headgear of a type

approved that complies with standards established by the commissioner of public safety.

Notwithstanding the provisions of this subdivision, the commissioner of public safety may, however, issue a special motorcycle permit, restricted or qualified in such manner as he shall deem proper, to any person demonstrating a need therefor and unable to qualify for a standard driver's license.

Sec. 24. Minnesota Statutes 1983 Supplement, section 169.974, subdivision 6, is amended to read:

Subd. 6. [NEGLIGENCE; DAMAGES WITHOUT PROTECTIVE HEADGEAR.] In an action to recover damages for negligence resulting in any head injury to an operator or passenger of a motorcycle, evidence of whether or not the injured person was wearing protective headgear of a type approved that complied with standards established by the commissioner of public safety shall be admissible only with respect to the question of damages for head injuries. Damages for head injuries of any person who was not wearing protective headgear shall be reduced to the extent that those injuries could have been avoided by wearing protective headgear of a type approved that complied with standards established by the commissioner of public safety. For the purposes of this subdivision "operator or passenger" means any operator or passenger regardless of whether that operator or passenger was required by law to wear protective headgear approved that complied with standards established by the commissioner of public safety.

Sec. 25. [REPEALER.]

Minnesota Statutes 1982, sections 169.672 and 169.755, are repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete line 8

Page 1, line 9, delete "certain situations;"

Page 1, line 18, delete everything after the semicolon

Page 1, line 19, delete "paid in installments;"

Page 1, line 24, after the semicolon, insert "requiring protective headgear to comply with standards established by the commissioner of public safety;"

Page 1, line 25, delete ", 13, 28, and 29" and insert "and 13"

Page 1, line 32, delete "168.021,"

Page 1, line 33, delete "subdivision 1;" and delete "and" and before the period insert "; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 169.672 and 169.755"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1224: A bill for an act relating to transportation; establishing a railroad passenger service study commission to study the feasibility and potential of expanded railroad passenger service within the state.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [RAILROAD PASSENGER SERVICE STUDY.]

The commissioner of transportation shall study the feasibility and potential methods of expanding railroad passenger service in the state. The study must examine the following rail corridors:

- (1) St. Paul to Willmar to Morris to Breckenridge to Moorhead;
- (2) Moorhead to Grand Forks to Winnipeg; and
- (3) St. Paul to Faribault to Albert Lea.

The commissioner shall collect ridership data independent from AMTRAK data to analyze ridership and shall focus on local and intermediate stops. In analyzing the feasibility of expanding the railroad passenger service, the commissioner shall consider the following factors and any other factors deemed appropriate:

- (1) minimum train speed, service frequency, and performance standards;
- (2) station locations;
- (3) availability of equipment;
- (4) ridership forecasts;
- (5) track upgrading estimates;
- (6) fuel consumption; and
- (7) estimated fare recovery in relation to total operating costs.

The commissioner shall report to the house and senate transportation committees by February 1, 1985, on his findings and recommendations.

Sec. 2. [APPROPRIATION.]

The sum of \$..... is appropriated from the general fund to the commissioner of transportation for the purpose of conducting the study required by section 1.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; directing the commissioner of transportation to study the feasibility and potential of expanded railroad passenger service; requiring a report to the legislature; appropriating money."

And when so amended the bill do pass. Mrs. Lantry questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1446: A bill for an act relating to education; defining school bus; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; and 171.01, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 169.01, subdivision 6, is amended to read:
- Subd. 6. [SCHOOL BUS.] "School bus" means every a motor vehicle owned by a public or governmental agency and operated for the transportation of children to or from school or privately owned and operated for compensation for the transportation of children to or from school used to transport pupils to or from a school defined in section 120.10, or to or from school-related activities, by the school or a school district, or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, or a transit bus.
- Sec. 2. Minnesota Statutes 1982, section 169.44, subdivision 1c, is amended to read:
- Subd. 1c. [VIOLATION; PENALTY.] (1) A peace officer may arrest the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of subdivision 1 within the past two four hours.
- (2) The owner or, in the case of a leased vehicle, the lessee of a motor vehicle, may be fined not to exceed \$100, if a motor vehicle owned or leased by the person is operated in violation of subdivision 1. The owner or lessee may not be so fined if the motor vehicle was stolen, or if conviction of another is had for a violation of subdivision 1. This subdivision does not apply to a lessor of a motor vehicle if the lessor keeps a record of the name and address of the lessee. This subdivision does not prohibit or limit the prosecution of a motor vehicle operator for violating subdivision 1. A violation of this clause does not constitute grounds for revocation or suspension of the owner's driver's license.
- Sec. 3. Minnesota Statutes 1982, section 169.44, subdivision 2, is amended to read:
- Subd. 2. [LOADING AND UNLOADING PASSENGERS; USE OF SIGNALS.] (a) Drivers of a vehicle outwardly equipped and identified as a school bus shall actuate the pre-warning flashing amber signals of the bus before stopping to load or unload a school child or children at least 300 feet when operating outside an incorporated municipality and at least 100 feet when operating within an incorporated municipality and, upon stopping for such purpose, such drivers shall extend the stop signal arm and actuate the flashing red signals and shall not retract the stop signal arm and extinguish the flashing red signals until loading or unloading is completed and persons

who must cross the street or highway are safely across.

- (b) School bus drivers shall not actuate the pre-warning flashing amber signals or flashing red signals:
- (1) in special school bus loading areas where the bus is entirely off the traveled portion of the road;
- (2) in residence or business districts of cities except when directed by the local school administrator:
- (3) when a school bus is being used on a highway for purposes other than the actual transportation of school children to or from school or a school approved activity, in which event the words "school bus" on the front and rear of the bus shall be removed or completely concealed; and
 - (4) at railroad grade crossings.
- (c) Where school children must cross the road before boarding or after being discharged from the bus, the driver of a school bus or a school bus patrol may supervise such crossings making use of the standard school patrol flag or signal as approved and prescribed by the commissioner of public safety. When children are alighting from a school bus, and not crossing the road, the driver shall visually ascertain that alighting children shall be a safe distance from the bus before moving the bus.
- (d) Vehicles not outwardly equipped and identified as school buses shall load or unload school children only from the right hand side of the vehicle, except on a one way street such vehicle shall load or unload school children only from the curb side of the vehicle.
- Sec. 4. Minnesota Statutes 1982, section 169.44, subdivision 8, is amended to read:
- Subd. 8. [VEHICLES USED AS OTHER THAN SCHOOL BUSES.] A vehicle bus which is no longer not used as a school bus shall not be operated on a public street or highway unless it is painted a color other significantly different than that required by law for school buses, including for purposes of this subdivision, Minnesota school bus golden orange, and all it may not be equipped with school bus related equipment and printing shall be removed from said vehicles. Violation of this subdivision is a misdemeanor.
- Sec. 5. Minnesota Statutes 1982, section 169.44, subdivision 15, is amended to read:
- Subd. 15. [TYPE THREE SCHOOL BUS.] Type three school buses are restricted to passenger cars, station wagons, and vans with a maximum manufacturer's rated seating capacity of ten persons including the driver, and a gross vehicle weight rating of 10,000 pounds or less. For purposes of this subdivision, a "gross vehicle weight rating" or "GVW rating" means the value specified by the manufacturer as the loaded weight of a single vehicle.

A type three school bus shall not in any way be outwardly equipped and identified as a school bus, as defined in subdivision 1a.

Sec. 6. Minnesota Statutes 1982, section 169.45, is amended to read:

169.45 [SCHOOL BUSES.]

The state board of education shall have has sole and exclusive authority to

adopt and enforce regulations rules not inconsistent with this chapter to govern the design, color, and operation of school buses used for the transportation of school children, when owned and operated by a school district or privately owned and operated under a contract with a school district, and these regulations shall rules must be made a part of any such that contract by reference. Each school district, its officers and employees, and each person employed under such a the contract is subject to these regulations.

- Sec. 7. Minnesota Statutes 1982, section 171.01, is amended by adding a subdivision to read:
- Subd. 21. [SCHOOL BUS.] "School bus" means a motor vehicle used to transport pupils to or from a school defined in section 120.10, or to or from school-related activities, by the school or a school district or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, or a transit bus."

Delete the title and insert:

"A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, by adding a subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1585: A bill for an act relating to the legislature; establishing a legislative commission on metropolitan affairs and defining its powers and responsibilities; proposing new law coded in Minnesota Statutes, chapter 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [3.866] [LEGISLATIVE COMMISSION ON METROPOLITAN AFFAIRS.]

Subdivision 1. [CREATION; PURPOSE.] There is created a legislative commission on metropolitan affairs to assist the legislature in studying and overseeing public and governmental policy and affairs in the metropolitan area defined in section 473.121. The primary object of the commission must be to review, examine, and recommend to the legislature appropriate state policies and laws relating to the purpose, structure, policy and general operation and practice of governmental institutions and programs in the metropolitan area and the proper relationship between these institutions and programs and statewide governmental institutions, policies, laws, and programs.

- Subd. 2. [DUTIES.] The duties of the commission are to:
- (1) review the plans, policies, studies, development programs, bonding

programs, annual work programs and budgets, legislative proposals, and other reports and work products of metropolitan agencies, boards, and commissions;

- (2) oversee and report on the activities of metropolitan agencies, boards, and commissions as they relate to legislative mandate;
- (3) study and make recommendations as it deems appropriate to assist the legislature in formulating policy and legislation affecting metropolitan affairs; and
- (4) review and evaluate proposed legislation as it affects overall legislative policy for metropolitan government, and oversee and report on the effects of existing state laws concerning metropolitan affairs.
- Subd. 3. [MEMBERSHIP; TERMS.] The commission consists of ten members, consisting of the chairperson of the senate local and urban government committee or his or her designee; the chairperson of the house local and urban affairs committee or his or her designee; four other members of the house of representatives appointed by the speaker of the house; and four other members of the senate appointed by the subcommittee on committees of the committee on rules and administration of the senate. Except for initial appointments to be made upon implementation of legislation herein, commission members shall be appointed at the commencement of the regular session of the legislature for two-year terms beginning on January 15 of each odd-numbered year. Initial appointments may be made before January 15, 1985. Terms for initial appointments shall expire January 14, 1987. Vacancies on the commission must be filled in the same manner as the original appointment.
- Subd. 4. [OFFICERS.] The commission shall elect a chair, a vice-chair, and other officers it finds appropriate from among its members. The chair and vice-chair must alternate each year between a member of the senate and a member of the house. The chair and vice-chair may not be members of the same house.
- Subd. 5. [ADVISORY COMMITTEES.] The commission may appoint advisory committees to assist it as needed. Each advisory committee must be chaired by a member of the commission. Advisory committees shall meet at the discretion of the committee chairperson.
- Subd. 6. [ASSISTANCE FROM GOVERNMENT AGENCIES.] When in the performance of its duties the commission requests information or assistance from any state or metropolitan agency or officer, the agency or officer shall promptly furnish the information or assistance requested.
- Subd. 7. [STAFF.] The commission may employ professional, technical, consulting, and clerical services. The commission may use the services of existing legislative staff offices.
- Subd. 8. [EXPENSES AND REIMBURSEMENT.] The members of the commission and its staff and assistants must be reimbursed for all expenses actually incurred in the performance of their duties, in the same manner as the expenses of legislators and legislative employees are paid. Expenses of the commission must be approved by the chair and paid in the same manner as other state expenses are paid.

Subd. 9. [REPORTS BY METROPOLITAN AGENCIES.] Each agency of government established by or pursuant to chapter 473 shall submit to the commission a copy of its annual report, annual budget and work plan, proposals to issue debt, prospectuses, draft and final plans and development programs, and studies, reports, or other formal work products. The commission shall keep a complete file for inspection by legislators and legislative staff of the materials submitted pursuant to this section.

Sec. 2. [LIMITATION.]

For the biennium ending June 30, 1985, members shall be compensated in the same manner as for other legislative service, and staff and administrative support for the commission shall be provided by existing legislative service offices."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1438: A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 17, delete "financial and"
- Page 2, line 18, before "made" insert "who by ordinance is"
- Page 2, line 19, delete "financial and"
- Page 2, line 20, delete "their" and insert "the"
- Page 2, line 20, before the period insert "of his or her duties"
- Page 2, line 22, before "bond" insert "official"
- Page 2, line 24, delete "by the state" and insert "in accordance with the minimum procedures"
 - Page 2, delete line 25
- Page 2, line 26, after the period insert "A copy of the ordinance shall be provided to the state auditor."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon.
- S.F. No. 1421: A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

Reports the same back with the recommendation that the report from the

Committee on Health and Human Services, shown in the Journal for March 12, 1984, be amended to read:

"the bill be amended and when so amended the bill do pass and be rereferred to the Committee on Finance". Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon.
- S.F. No. 939: A resolution memorializing the President and the Congress of the United States to repeal the Federal Reserve Act.

Reports the same back with the recommendation that the report from the Committee on Economic Development and Commerce, shown in the Journal for March 12, 1984, be amended to read:

"the resolution be amended and when so amended the resolution do pass and be re-referred to the Committee on Rules and Administration". Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:
- S.F. Nos. 1813, 1690, 1682, 1347, 1713, 1479, 1719, 1611, 1296, 1277, 1842, 1660, 1737, 1485, 1534, 1729 and 1545 reports the same back with the recommendation that the bills be re-referred as follows:
- S.F. Nos. 1813 and 1690 to the Committee on Economic Development and Commerce.
 - S.F. Nos. 1682 and 1347 to the Committee on Elections and Ethics.
 - S.F. Nos. 1713 and 1479 to the Committee on Health and Human Services.
 - S.F. Nos. 1719, 1611 and 1296 to the Committee on Judiciary.
- S.F. Nos. 1277, 1842 and 1660 to the Committee on Local and Urban Government.
- S.F. Nos. 1737 and 1485 to the Committee on Public Utilities and State Regulated Industries.
- S.F. Nos. 1534, 1729 and 1545 to the Committee on Veterans and General Legislation.

Report adopted.

- Mr. Pehler from the Committee on Education, to which was referred
- S.F. No. 1701: A bill for an act relating to vocational-technical education; permitting South Dakota residents to attend Minnesota postsecondary vocational-technical schools at Minnesota resident tuition rates; amending Minnesota Statutes 1982, section 124.565, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, before "A" insert "Unless a reciprocity agreement relat-

ing to postsecondary vocational-technical schools is entered into by August 1, 1984, and approved by the state board of vocational technical education."

Page 1, delete lines 17 and 18

Amend the title as follows:

Page 1, line 5, before the semicolon, insert "unless a reciprocity agreement is entered into by August 1, 1984"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1369: A bill for an act relating to education; allowing financial aid after the time normally required to complete a bachelor's degree; amending Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 10 to 18, and insert:

"Subd. 10. Each A scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable for a maximum of six semesters or nine quarters or their equivalent but may not continue after the recipient has obtained a baccalaureate degree or been enrolled full-time or the equivalent for the number of semesters or quarters normally required to complete a baccalaureate degree, whichever occurs first may be awarded for an academic year, semester, or quarter according to student need. It may be renewed by academic year, semester, or quarter. No individual may receive financial aid under this section for more than four academic years, eight semesters, or 12 quarters. No scholarship or grant-in-aid may be awarded to a student who has obtained a baccalaureate degree."

Amend the title as follows:

Page 1, delete lines 2 and 3 and insert "relating to education; authorizing up to four years of financial aid for students who have not earned a bachelor's"

Page 1, line 4, after "degree;" insert "counting aid by year, semester, or quarter;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1332: A bill for an act relating to Independent School District No. 196; authorizing it to establish and operate a nonprofit corporation for the benefit of students; requiring local approval.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 123.35, is amended by

adding a subdivision to read:

Subd. 16. [FUNDS FOR NONPROFIT CORPORATION.] The board may expend district funds to establish and operate, either separately or cooperatively, one nonprofit corporation. The purpose of the corporation shall be to assist the school board, employees, pupils, parents, and the community in providing educational and related opportunities for the benefit of the pupils. The board of directors shall conduct the affairs of the corporation in cooperation with the school board. Members of a school board may serve as directors of the corporation. Any public educational regional organization or institution may assist a school board or the corporation if requested to do so. Each year for two years the school board may expend for the corporation, for purposes of this subdivision, an amount not to exceed \$4 times the actual number of pupils in the district for that school year.

Sec. 2. [REPORT TO THE COMMISSIONER AND LEGISLATURE.]

By November 1, 1985, a school board exercising any authority granted under section 1 or planning to exercise such authority shall report to the state board of education and to the commissioner of education. In conjunction with this reporting, the commissioner may conduct an informational workshop for some or all districts. By January 1, 1986, the commissioner of education shall report to the education committees of the legislature about the activities and experiences of the districts."

Delete the title and insert:

"A bill for an act relating to education; authorizing a school board to expend district funds to establish and operate a nonprofit corporation; requiring the corporation to assist and cooperate with the school board; providing certain limitations on the amount of district funds; requiring district reports to the commissioner of education; requiring a report to the legislature; amending Minnesota Statutes 1982, section 123.35, by adding a subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1411: A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, after line 15, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section I is effective the day following final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which

was referred

S.F. No. 1344: A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, after "1." insert "[SUPPLEMENTAL LOCAL AID.]" and begin a new paragraph with "For"

Page 1, line 10, after "between" insert "(a)"

Page 1, line 12, after "1," insert "and Minnesota Statutes 1982, section 477A.014, subdivision 3," and after "and" insert "(b)"

Page 1, line 15, after "2." insert "[TIME OF PAYMENTS.]" and begin a new paragraph with "Aid"

Page 1, line 20, after "I," insert "and" and delete "may"

Page 1, line 21, delete "not exceed" and insert "to it pursuant to this act exceeds"

Page 1, line 23, delete ". Any amounts determined"

Page 1, delete lines 24 and 25

Page 2, line 1, delete "1985, and" and insert ", the amount of that excess distribution shall be"

Page 2, line 3, after "3." insert "[SUBSEQUENT YEARS.]" and begin a new paragraph with "For"

Page 2, line 11, after "4." insert "[APPROPRIATION.]" and begin a new paragraph with "An"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1243: A resolution memorializing the President and Congress to establish a National Academy of Peace and Conflict Resolution.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1328: A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 12, delete "momento" and insert "memento"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1431: A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutant generals; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, line 4, delete "adjutant generals" and insert "adjutants general"

Page 1, line 11, delete "; repealing Minnesota" and insert a period

Page 1, delete line 12

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1466: A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, section 43A.11, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike everything after "to"

Page 1, lines 16 to 18, strike the old language and delete the new language

Page 1, line 19, strike everything before the period and insert "a veteran as defined in section 197.447"

Page 1, after line 19, insert: '

"Sec. 2. Minnesota Statutes 1982, section 197.447, is amended to read:

197.447 [VETERAN, DEFINED.]

The word "veteran" as used in sections 43A.11, 196.02, 196.07, 197.59, 197.601, and 282.038 means any person who has been separated under honorable conditions from any branch of the armed forces of the United States

after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, and who is a citizen of the United States."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; and 197.447"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1299: A bill for an act relating to health; directing the commissioner of health and the director of the pollution control agency to study the relationship between hazardous waste contamination of metropolitan water supplies and the incidence of cancer; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [FEASIBILITY STUDY.]

The commissioner of health shall evaluate the feasibility of conducting epidemiologic studies to assess the health effect of hazardous waste contamination of metropolitan water supplies in St. Louis Park and New Brighton. The commissioner of health shall report to the legislative commission on waste management by January 1, 1986, on whether the studies are feasible. If the report includes a recommendation that a study be conducted in either or both communities, the report shall include a protocol indicating methods and costs of the study.

Sec. 2. [APPROPRIATION.]

The sum of \$93,000 is appropriated from the general fund to the commissioner of health for purposes of this act and is available until expended.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to health; directing the commissioner of health to assess the feasibility of studies of the health effects of contamination of metropolitan water supplies; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1474: A bill for an act relating to natural resources; expanding the

trout stamp program to include trout lakes and Lake Superior; reducing the age requirement for obtaining a trout stamp; amending Minnesota Statutes 1982, section 97.4842.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, reinstate the stricken language, and after "trout" insert "or salmon"

Page 2, line 10, after "trout" insert "and salmon"

Page 2, line 11, delete "in trout"

Page 2, line 12, delete everything before the semicolon

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1589: A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 10 to 16, reinstate the stricken language and delete the new language

Page 1, line 17, reinstate the stricken language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1112: A bill for an act relating to drainage; reducing the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike everything after the period

Page 1, strike line 22

Page 1, line 23, strike the old language and delete "\$250"

Page 1, strike lines 24 and 25

Page 2, strike line 1

Page 2, line 2, strike "order of the court."

Amend the title as follows:

Page 1, line 2, delete "reducing" and insert "eliminating"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1590: A bill for an act relating to natural resources; imposing a penalty on the owner or keeper of a dog that kills or harasses a domestic animal; authorizing peace officers to kill dogs endangering big game; prohibiting damages against a peace officer or conservation officer who kills a dog; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 100.29, subdivision 19, is amended to read:
- Subd. 19. Any person may, and it shall be the duty of every conservation officer to, kill any dog pursuing or killing deer or moose, and no action for damages shall be maintained against the person for the killing. The owner of any dog which is found pursuing or killing deer, moose, or domestic livestock shall be guilty of a petty misdemeanor. A dog that wounds, kills, has killed, or pursues a big game animal may be killed by a peace officer or conservation officer or, between January 1 and July 14, by any person. The officer or person is not liable for damages for killing the dog. The owner of the dog is guilty of a petty misdemeanor and is subject to a civil penalty of up to \$1,000 for each violation.
 - Sec. 2. Minnesota Statutes 1982, section 347.01, is amended to read:

347.01 (OWNER'S LIABILITY.)

Owners or keepers of any A person who owns or keeps a dog or dogs, that kill, wound kills, wounds, or worry any harasses a domestic animal or animals, shall be is jointly and severally liable to the owner of such the animal or animals for all the damages done by such the dog or dogs, without proving notice to or knowledge by any such. The owner of the domestic animal does not have to prove that the owner or keeper of such the dog or dogs, had knowledge or notice that any or either of them the dog was mischievous or disposed to kill or worry any harass a domestic animal. The owner of any dog that kills or pursues domestic livestock is guilty of a petty misdemeanor."

Delete the title and insert:

"A bill for an act relating to natural resources; increasing the penalty on owners and keepers of certain dogs; authorizing peace officers to take certain actions; prohibiting damages against peace officers who take those actions; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D.M. from the Committee on Governmental Operations, to

which was referred the following appointment as reported in the Journal for March 12, 1984:

STATE PLANNING AGENCY DIRECTOR Thomas J. Triplett

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred the following appointment as reported in the Journal for March 8, 1984:

DEPARTMENT OF VETERANS' AFFAIRS COMMISSIONER William J. Gregg

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. Nos. 1520, 1446, 1438, 1332, 1411, 1344, 1328, 1431, 1466, 1474, 1589, 1112 and 1590 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that his name be stricken as a co-author to S.F. No. 773. The motion prevailed.

Mr. Willet moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Dahl be added as chief author to S.F. No. 773. The motion prevailed.

Mr. Frank moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1127. The motion prevailed.

Mr. Kroening moved that the names of Messrs. Ulland, Lessard and Benson be added as co-authors to S.F. No. 1242. The motion prevailed.

Mr. Belanger moved that the names of Messrs. Laidig and Lessard be added as co-authors to S.F. No. 1328. The motion prevailed.

Mrs. Kronebusch moved that the name of Mr. Benson be added as a coauthor to S.F. No. 1381. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1389. The motion prevailed.

Mr. Bertram moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1424. The motion prevailed.

Mr. Bertram moved that the name of Mr. Renneke be added as a co-author

to S.F. No. 1427. The motion prevailed.

Mr. Peterson, C.C. moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1434. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Belanger be added as a co-author to S.F. No. 1449. The motion prevailed.

Mr. DeCramer moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1451. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1457. The motion prevailed.

Mr. Lessard moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1466. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1542. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1557. The motion prevailed.

Mrs. Adkins moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 1580. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1589. The motion prevailed.

Mr. Merriam moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1590. The motion prevailed.

Mr. Bertram moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1595. The motion prevailed.

Mr. Frank moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1596. The motion prevailed.

Ms. Berglin moved that the names of Messrs. Benson and Anderson be added as co-authors to S.F. No. 1600. The motion prevailed.

Ms. Olson moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1719. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1723. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Storm, DeCramer and Novak be added as co-authors to S.F. No. 1725. The motion prevailed.

Mr. Schmitz moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1840. The motion prevailed.

Mr. Benson moved that the name of Mr. Anderson be added as a co-author to S.F. No. 1873. The motion prevailed.

Mrs. Lantry moved that the name of Mr. Dahl be added as a co-author to S.F. No. 1874. The motion prevailed.

Mr. Purfeerst moved that the name of Mr. Frederick be added as a co-author to S.F. No. 1877. The motion prevailed.

Mr. Wegscheid moved that the name of Mr. Mehrkens be added as a co-

author to S.F. No. 1918. The motion prevailed.

Mr. Petty moved that S.F. No. 1914 be withdrawn from the Committee on Transportation and re-referred to the Committee on Local and Urban Government. The motion prevailed.

Mr. Samuelson moved that S.F. No. 1917 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Economic Development and Commerce. The motion prevailed.

CALENDAR

S.F. No. 311: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Langseth	Peterson, C.C.	Solon
Benson	Freeman	Lantry	Peterson, D.C.	Spear
Berg	Hughes	Luther	Peterson, R.W.	Storm
Berglin	Isackson	McQuaid	Petty	Stumpf
Bernhagen	Johnson, D.E.	Mehrkens	Pogemiller	Taylor
Bertram	Johnson, D.J.	Merriam	Purfeerst	Ulland
Brataas	Jude	Moe, D. M.	Ramstad	Waldorf
Chmielewski	Kamrath	Moe, R. D.	Reichgott	Wegscheid
Dahl	Knaak	Nelson	Renneke	Willet
Davis	Kroening	Novak	Samuelson	
DeCramer	Kronebusch	Olson	Schmitz	
Diessner	Laidig	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 1455: A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger Benson Berg Berglin Bernhagen Bertram Brataas Chmielewski	Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath	Langseth Lantry Luther McQuaid Mehrkens Merriam Moe, D. M. Moe, R. D.	Peterson, C.C. Peterson, D.C. Peterson, R.W. Petty Pogemiller Purfeerst Ramstad Reichgott	Solon Spear Storm Stumpf Taylor Ulland Waldorf Wegscheid
Chmielewski	Kamrath		Reichgott	Wegscheid
Dahl	Knaak	Nelson	Renneke	Willet
Davis	Kroening	Novak	Samuelson	
DeCramer	Kronebusch	Olson	Schmitz	
Diessner	Laidig	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 1418: A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Diessner	Kronebusch	Novak	Renneke
Benson	Frederickson	Laidig	Olson	Samuelson
Berg	Freeman	Langseth	Pehler	Schmitz
Berglin	Hughes	Lantry	Peterson, C.C.	Sieloff
Bernhagen	Isackson	Luther	Peterson, D.C.	Spear
Bertram	Johnson, D.E.	McOuaid	Peterson, R.W.	Stumpf
Brataas	Johnson, D.J.	Mehrkens	Petty	Taylor
Chmielewski	Jude	Merriam	Pogemiller	Ulland
Dahl	Kamrath	Moe, D. M.	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Kroening	Nelson	Reichgott	Willet

So the bill passed and its title was agreed to.

S.F. No. 1454: A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Laidig	Olson	Samuelson
Benson	Freeman	Langseth	Pehler	Schmitz
Berg	Hughes	Lantry	Peterson, C.C.	Sieloff
Berglin	Isackson	Luther	Peterson, D.C.	Spear
Bernhagen	Johnson, D.E.	McQuaid	Peterson, R.W.	Stumpf
Bertram	Johnson, D.J.	Mehrkens	Petty	Taylor
Brataas	Jude	Merriam	Pogemiller	Ulland
Dahl	Kamrath	Moe, D. M.	Purfeerst	Waldorf
Davis	Knaak	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Kroening	Nelson	Reichgott	Willet
Diessner	Kronebusch	Novak	Renneke	Willet

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr.

Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

- S.F. Nos. 1396, 868, 1349, 1475, 1563, 1476 and 1235, which the committee recommends to pass.
- S.F. No. 1453, which the committee recommends to pass with the following amendment offered by Mr. Diessner:
 - Page 2, line 16, delete ", unless" and insert ". If"
 - Page 2, line 17, after "facility" insert ", paragraph (a) applies"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mrs. McQuaid, Messrs. Ramstad and Peterson, R.W. introduced-

S.F. No. 1923: A bill for an act relating to criminal justice; permitting misdemeanor arrests to be made at night in public places; amending Minnesota Statutes 1983 Supplement, section 629.31.

Referred to the Committee on Judiciary.

Messrs. Johnson, D.J. and Dicklich introduced-

S.F. No. 1924: A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

Referred to the Committee on Health and Human Services.

Mr. Bertram introduced—

S.F. No. 1925: A bill for an act relating to education; establishing a program to require school districts to provide milk to all elementary and secondary pupils in public and nonpublic schools; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Mr. Samuelson introduced-

S.F. No. 1926: A bill for an act relating to school districts; changing the qualifying percentage of agricultural valuation for minimum aid from 60 to 55; amending Minnesota Statutes 1982, section 124.2126, subdivision 1.

Referred to the Committee on Education.

Messrs. Solon and Dicklich introduced-

S.F. No. 1927: A bill for an act relating to St. Louis County; establishing positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

Referred to the Committee on Local and Urban Government.

Messrs. Hughes, Nelson, Pehler, Dahl and Taylor introduced-

S.F. No. 1928: A bill for an act relating to education; lengthening membership on the higher education coordinating board to six-year terms; amending Minnesota Statutes 1982, section 136A.02, subdivision 1a.

Referred to the Committee on Education.

Ms. Berglin introduced-

S.F. No. 1929: A bill for an act relating to public welfare; increasing the personal needs allowance for residents of certain facilities; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

Referred to the Committee on Health and Human Services.

Mrs. Lantry introduced-

S.F. No. 1930: A bill for an act relating to Ramsey county; providing for the creation, organization, powers and duties of a personnel system; amending Minnesota Statutes 1982, section 383A.41, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 383A; repealing Minnesota Statutes 1982, sections 383A.29; 383A.30; 383A.31; and Minnesota Statutes 1983 Supplement, section 383A.28.

Referred to the Committee on Local and Urban Government.

Mrs. Lantry and Mr. Waldorf introduced-

S.F. No. 1931: A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

Referred to the Committee on Local and Urban Government.

Messrs. Freeman and Belanger introduced—

S.F. No. 1932: A bill for an act relating to local government; providing for exemption from taxation on certain lands for which conveyance is authorized by the metropolitan sports facilities commission to the city of Bloomington.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jude introduced-

S.F. No. 1933: A bill for an act relating to drivers licenses; requiring certain notice on uniform traffic ticket; providing penalty for failure to respond to summons and complaint on uniform traffic ticket; prohibiting issuance of warrants on persons failing to pay fines for parking violations; establishing system for collecting unpaid fines; allocating driver's license reinstatement fees; amending Minnesota Statutes 1982, sections 169.99, by adding a sub-

division; 171.16, subdivision 3, and by adding subdivisions; 171.20, subdivision 1; and 171.29, as amended.

Referred to the Committee on Judiciary.

Messrs. Pogemiller; Moe, R.D. and Langseth introduced—

S.F. No. 1934: A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, and by adding subdivisions.

Referred to the Committee on Taxes and Tax Laws.

Mr. Samuelson introduced—

S.F. No. 1935: A resolution memorializing the President, Congress, and the United States Department of Agriculture to take speedy action to insure that frozen pizzas are wholesome, nutritious, flavorful, truthfully labeled, and entirely healthful by approving proposed standards for real cheese content on frozen meat pizzas and affirming that all meat on frozen pizzas should be cooked.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pogemiller and Moe, D.M. introduced-

S.F. No. 1936: A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Knaak, Nelson, Taylor and Hughes introduced-

S.F. No. 1937: A bill for an act relating to education; providing for employment rights in certain school district supervisory and administrative positions; amending Minnesota Statutes 1982, section 125.12, subdivision 2.

Referred to the Committee on Education. Mr. Chmielewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Peterson, C.C.; Samuelson; Merriam; Willet and Bernhagen introduced—

S.F. No. 1938: A bill for an act relating to agriculture; authorizing the airtight packaging of smoked fish; proposing new law coded in Minnesota Statutes, chapter 31.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Peterson, C.C.; Samuelson; Merriam; Willet and Bernhagen introduced—

S.F. No. 1939: A bill for an act relating to agriculture; exempting certain persons from rules governing processing, labeling, distribution, and handling of certain smoked fish; proposing new law coded in Minnesota Statutes, chapter 31.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dieterich, Frank, DeCramer and Storm introduced-

S.F. No. 1940: A bill for an act relating to alcoholic beverages; allowing licensed premises to remain open after the hour sales of alcoholic beverages must cease; amending Minnesota Statutes 1982, section 340.14, subdivision 5; Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Schmitz introduced-

S.F. No. 1941: A bill for an act relating to snowmobiles; requiring liability insurance coverage; proposing new law coded in Minnesota Statutes, chapter 84.

Referred to the Committee on Economic Development and Commerce.

Messrs. Hughes, Nelson, Ms. Peterson, D.C. and Mr. Dahl introduced-

S.F. No. 1942: A bill for an act relating to education; authorizing the establishment of education districts; requiring the appointment of an advisory council; requiring state board approval of agreements of education districts; authorizing aid; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Diessner and Laidig introduced-

S.F. No. 1943: A bill for an act relating to the city of Oakdale; providing a permanent increase in the levy limit base.

Referred to the Committee on Taxes and Tax Laws.

Mr. Waldorf introduced—

S.F. No. 1944: A bill for an act relating to education; adding two outstate members to the Minnesota higher education facilities authority; creating an advisory position on the authority; amending Minnesota Statutes 1983 Supplement, section 136A.26.

Referred to the Committee on Education.

Mr. Solon introduced-

S.F. No. 1945: A bill for an act relating to insurance; requiring health maintenance organizations to provide coverage for services within the scope of the license of a dentist or podiatrist; requiring employers to offer alternative prepaid health plan coverage to employees; authorizing any licensed dentist to participate in certain prepaid dental plans; amending Minnesota Statutes 1982, section 62A.043.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced-

S.F. No. 1946: A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Taylor introduced—

S.F. No. 1947: A bill for an act relating to retirement; Mankato firefighters employee contributions; amending Laws 1971, chapter 407, section 1, subdivision 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Taylor introduced-

S.F. No. 1948: A bill for an act relating to taxation; sales; exempting sales by certain organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davis introduced-

S.F. No. 1949: A bill for an act relating to taxation; repealing the aggregate tax for Benton county; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick and Moe, D.M. introduced-

S.F. No. 1950: A bill for an act relating to retirement; Owatonna city hospital employees refunds or deferred annuities.

Referred to the Committee on Governmental Operations.

Messrs. Knaak, Schmitz, Solon and DeCramer introduced-

S.F. No. 1951: A bill for an act relating to agriculture; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

Referred to the Committee on Local and Urban Government.

Messrs. Purfeerst, Lessard and Frank introduced-

S.F. No. 1952: A bill for an act relating to horse racing; providing for the distribution of proceeds from the Minnesota Breeders Fund; amending Minnesota Statutes 1983 Supplement, section 240.18.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Frederick and Purfeerst introduced—

S.F. No. 1953: A bill for an act relating to commerce; defining the scope of state and local regulation of transient merchants; amending Minnesota Statutes 1982, section 329.15.

Referred to the Committee on Economic Development and Commerce.

Mr. Hughes, Ms. Peterson, D.C.; Messrs. Willet; Johnson, D.E. and Frederickson introduced—

S.F. No. 1954: A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; and 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

Referred to the Committee on Elections and Ethics.

Messrs. Belanger; Peterson, D.L.; Kamrath and Johnson, D.E. introduced—

S.F. No. 1955: A bill for an act relating to taxation; providing for early termination of the surtax on individual income tax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benson introduced-

S.F. No. 1956: A bill for an act relating to licenses; regulating athlete agencies; providing penalties; proposing new law coded as Minnesota Stat-

utes, chapter 342.

Referred to the Committee on Economic Development and Commerce.

Ms. Reichgott, Messrs. Belanger, Dahl, Freeman and Solon introduced-

S.F. No. 1957: A bill for an act relating to commerce; regulating going out of business sales and certain other sales; establishing licensing and bonding requirements; prescribing a penalty; providing a remedy; proposing new law coded in Minnesota Statutes, chapter 325G.

Referred to the Committee on Economic Development and Commerce.

Mr. Johnson, D.E. introduced-

S.F. No. 1958: A bill for an act relating to appropriations; appropriating money to the soil and water conservation board for soil conservation cost sharing and public assistance; increasing the complement of the board.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Berg and Johnson, D.E. introduced—

S.F. No. 1959: A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

Referred to the Committee on Education.

Ms. Reichgott, Messrs. Vega; Moe, D.M. and Ms. Peterson, D.C. introduced—

S.F. No. 1960: A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; appropriating money; amending Minnesota Statutes 1982, sections 116J.36, subdivisions 3, 4, 6, 8, and by adding a subdivision; 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Renneke introduced-

S.F. No. 1961: A bill for an act relating to hazardous waste management; requiring a report to the legislature on compensation for damage resulting from the site selection process for commercial disposal facilities; amending Minnesota Statutes 1982, section 115A.08, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Bertram, Stumpf, Willet, Isackson and Wegscheid introduced-

S.F. No. 1962: A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; and 500.221, subdivision 4.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Wegscheid introduced-

S.F. No. 1963: A bill for an act relating to financial institutions; credit unions; authorizing the board of directors to establish certain interest rates; amending Minnesota Statutes 1982, section 52.14, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Jude introduced-

S.F. No. 1964: A bill for an act relating to health; providing guidelines for supportive care; amending Minnesota Statutes 1982, section 144.651, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Mr. Peterson, R.W. and Ms. Reichgott introduced-

S.F. No. 1965: A bill for an act relating to civil actions; requiring agreements for loans of money, repayment of money, or extensions of credit to be in writing; amending Minnesota Statutes 1982, section 513.01.

Referred to the Committee on Judiciary.

Messrs. Willet, Berg, Davis and Peterson, C.C. introduced-

S.F. No. 1966: A bill for an act relating to game and fish; exempting hunters on private shooting preserves from the requirement of a pheasant stamp; amending Minnesota Statutes 1983 Supplement, section 97.4843, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. DeCramer introduced—

S.F. No. 1967: A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

Referred to the Committee on Transportation.

Mr. Purfeerst introduced-

S.F. No. 1968: A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

Referred to the Committee on Transportation.

Messrs. Johnson, D.J.; Moe, R.D.; Peterson, C.C. and Novak introduced-

S.F. No. 1969: A bill for an act relating to taxation; income; eliminating the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Referred to the Committee on Taxes and Tax Laws.

Mr. Moe, R.D. introduced-

S.F. No. 1970: A bill for an act relating to education; allowing the higher education coordinating board to prorate the obligation to repay loans for doctors who serve part time in an area of need; amending Minnesota Statutes 1982, section 147.30.

Referred to the Committee on Education.

Mr. Solon introduced---

S.F. No. 1971: A bill for an act relating to waste management; creating a waste railroad tie cleanup fund; imposing a tax; granting rulemaking authority; appropriating money; proposing new law coded in Minnesota Statutes, chapter 115A.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Sieloff and Knaak introduced-

S.F. No. 1972: A bill for an act relating to taxation; providing a sales tax exemption for sales by certain nonprofit organizations; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jude introduced—

S.F. No. 1973: A bill for an act relating to persons handicapped in communication; requiring the arresting officer to immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, section 611.32.

Referred to the Committee on Judiciary.

Mr. Peterson, R.W. introduced—

S.F. No. 1974: A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction con-

tracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

Referred to the Committee on Judiciary.

Messrs. Moe, R.D.; Solon; Moe, D.M. and Kroening introduced-

S.F. No. 1975: A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.

Referred to the Committee on Economic Development and Commerce. Mr. Chmielewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Novak introduced-

S.F. No. 1976: A bill for an act relating to regulated industries; changing conditions that regulate the telecast of games at metropolitan sports facilities; amending Minnesota Statutes 1982, section 473.568, subdivision 1.

Referred to the Committee on Local and Urban Government.

Messrs. Novak, Luther, Solon and Freeman introduced—

S.F. No. 1977: A bill for an act relating to economic development; clarifying provisions relating to the export finance authority; amending Minnesota Statutes 1983 Supplement, sections 17.104, by adding a subdivision; and 17.105, subdivisions 1, 3, 4, and 7.

Referred to the Committee on Economic Development and Commerce.

Messrs. Purfeerst, Schmitz, Storm, Ms. Reichgott and Mr. Wegscheid introduced—

S.F. No. 1978: A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; proposing new law coded in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1982, sections 473.611, subdivision 5; and 473.621, subdivision 6.

Referred to the Committee on Local and Urban Government.

Mr. Wegscheid introduced-

S.F. No. 1979: A resolution memorializing the President and Congress of

the United States to adopt legislation requiring that all milk sold in the United States contain a higher minimum level of nonfat milk solids.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Langseth, Stumpf and Moe, R.D. introduced—

S.F. No. 1980: A bill for an act relating to corrections; providing for costs of transporting convicted persons and children adjudicated delinquent to correctional facilities; amending Minnesota Statutes 1983 Supplement, section 243.17, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Dicklich introduced—

S.F. No. 1981: A bill for an act relating to local government; appropriating money for upgrading access road to new elementary school.

Referred to the Committee on Transportation.

Messrs. Pogemiller and Moe, D.M. introduced-

S.F. No. 1982: A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 16.823, subdivision 2; 35.02, subdivision 1; 116E.02, subdivision 2; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 40.03, subdivision 1; 116C.82, subdivision 2; 116E.02, subdivision 1; 250.05, subdivision 2; and 299B.05, subdivision 1.

Referred to the Committee on Governmental Operations.

Ms. Berglin introduced—

S.F. No. 1983: A bill for an act relating to economic security; clarifying the emergency employment development jobs program; regulating the payment of cash allowances; amending Minnesota Statutes 1983 Supplement, sections 256D.111, subdivision 2; 256D.112; 268.80; and 268.81.

Referred to the Committee on Health and Human Services.

Messrs. Hughes, Nelson, Taylor, Pehler and Ms. Peterson, D.C. introduced—

S.F. No. 1984: A bill for an act relating to education; authorizing an equalized aid and levy for early childhood and family education programs; establishing certain requirements for early childhood and family education programs; authorizing certain aid for certain early childhood and family education programs; appropriating money; amending Minnesota Statutes 1982, section 275.125, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 124.271, subdivision 2b; 125.032, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 121 and 124; repealing Min-

nesota Statutes 1982, sections 129B.06; 129B.07; 129B.08; and 129B.09, as amended.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 1985: A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivision 2; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

Referred to the Committee on Health and Human Services.

Messrs. Nelson; Moe, D.M.; Pehler and Johnson, D.E. introduced-

· S.F. No. 1986: A bill for an act relating to public employment labor relations; recodifying the public employment labor relations act; proposing new law coded as Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1982, sections 179.61 to 179.76, as amended.

Referred to the Committee on Employment.

Mr. Kroening introduced-

S.F. No. 1987: A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

Referred to the Committee on Employment.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, March 21, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SIXTH DAY

St. Paul, Minnesota, Wednesday, March 21, 1984

The Senate met at 12:00 noon and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Kenneth Ludescher.

The roll was called, and the following Senators answered to their names:

Belanger Benson Berg Berglin Bernhagen Bertram Chmielewski Dahl	Dieterich Frederickson Freeman Hughes Johnson, D.E. Johnson, D.J. Jude Kamrath	Laidig Langseth Lantry Lessard Luther Mehrkens Merriam Moe, D.M. Moe, R.D.	Pehler Peterson, C.C. Peterson, D.C. Peterson, D.L. Peterson, R.W. Petty Pogemiller Purfeerst Ramstad	Sieloff Solon Spear Storm Taylor Ulland Waldorf Wegscheid Willet
Dahl Davis	Knaak	Moe, R.D.	Ramstad	
DeCramer Dicklich	Knutson Kroening	Nelson Novak	Reichgott Renneke	
Diessner	Kronebusch	Olson	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mrs. Adkins, Messrs. Anderson, Frank, Frederick, Samuelson, Stumpf, Vega, Mmes. Brataas and McQuaid were excused from the Session of today. Mr. Isackson was excused from the Session of today until 12:33 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committee indicated.

January 30, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

Franklin W. Iossi, 815 - 10 1/2 St. S.W., Rochester, Olmsted County, has

been appointed by me, effective February 24, 1984, for a term expiring the first Monday in January, 1985.

(Referred to the Committee on Education.)

March 15, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

It is my pleasure to enclose herewith the names of notaries public in the State of Minnesota.

Pursuant to the provisions of Article V, Section 3, of the Minnesota Constitution, I hereby appoint those individuals as notaries public, and hereby request the advice and consent of the Senate in those appointments.

Sincerely, Rudy Perpich, Governor

Mr. Moe, R. D. moved that the appointments of notaries public be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1473: A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending Minnesota Statutes 1982, section 508.16, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, delete "publication of"

Page 2, delete lines 3 and 4

Page 2, line 5, delete "estate described in the application herein" and insert "publishing the summons"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1365: A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 34, delete "(a)"

Page 5, line 1, after "electrical," insert "by"

- Page 5, line 2, after the comma insert "radio" and after "other" insert "means to a"
 - Page 5, line 5, after the comma insert "radio"
 - Page 5, delete line 7 and insert "The"
 - Page 5, line 8, delete "the" and insert "an"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1354: A bill for an act relating to crimes; providing for the manner of modifying sentencing guidelines; amending Minnesota Statutes 1982, section 244.09, subdivisions 5, 11, as amended, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 244.01, subdivision 2, is amended to read:
- Subd. 2. "Inmate" means any person who is convicted of a felony, is committed to the custody of the commissioner of corrections and is confined in a state correctional facility or released from a state correctional facility pursuant to sections 244.05, section 244.065, and or 244.07.
- Sec. 2. Minnesota Statutes 1982, section 244.01, subdivision 8, is amended to read:
- Subd. 8. "Term of imprisonment" is a the period of time equal to the period of time to which the an inmate is committed to the custody of the commissioner of corrections following a conviction for a felony minus earned good time.
- Sec. 3. Minnesota Statutes 1982, section 244.09, subdivision 5, is amended to read:
- Subd. 5. The commission shall, on or before January 1, 1980, promulgate sentencing guidelines for the district court. The guidelines shall be based on reasonable offense and offender characteristics. The guidelines promulgated by the commission shall be advisory to the district court and shall establish:
- (1) The circumstances under which imprisonment of an offender is proper; and
- (2) A presumptive, fixed sentence for offenders for whom imprisonment is proper, based on each appropriate combination of reasonable offense and offender characteristics. The guidelines may provide for an increase or decrease of up to 15 percent in the presumptive, fixed sentence.

The sentencing guidelines promulgated by the commission may also establish appropriate sanctions for offenders for whom imprisonment is not proper. Any guidelines promulgated by the commission establishing sanc-

tions for offenders for whom imprisonment is not proper shall make specific reference to noninstitutional sanctions, including but not limited to the following: payment of fines, day fines, restitution, community work orders, work release programs in local facilities, community based residential and nonresidential programs, incarceration in a local correctional facility, and probation and the conditions thereof.

In establishing the sentencing guidelines, the commission shall take into substantial consideration current sentencing and release practices and correctional resources, including but not limited to the capacities of local and state correctional facilities.

The provisions of sections 14.01 to 14.70 do not apply to the promulgation of the sentencing guidelines, and the sentencing guidelines, including severity levels and criminal history scores, are not subject to review by the legislative commission to review administrative rules. However, on or before June 1, 1985, the commission shall adopt rules pursuant to sections 14.01 to 14.70 which establish procedures for the promulgation of the sentencing guidelines, including procedures for the promulgation of severity levels and criminal history scores, and these rules shall be subject to review by the legislative commission to review administrative rules.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11, is amended to read:
- Subd. 11. [MODIFICATION; RETROACTIVE EFFECT.] The commission shall meet as necessary for the purpose of modifying and improving the guidelines. Except as otherwise provided in this subdivision, proposed modifications in the sentencing guidelines grid, including severity levels and criminal history scores, but excluding proposed modifications relating to crimes that were created or amended by the legislature in the preceding legislative session, shall be submitted to the legislature by January 1 of any year when the commission desires to make a change and shall be effective on August I of that year, unless the legislature by law provides otherwise. On or before September 1 of each year, the commission shall submit a written report to the judiciary committees of the senate and the house of representa-tives that identifies and explains all modifications and proposed modifications in the sentencing guidelines made during the preceding 12 months. Any modification of the guidelines that causes a duration change numbers in the cells of the sentencing guidelines grid shall be retroactive for all inmates serving sentences imposed pursuant to the Minnesota sentencing guidelines if the durational change reduces the appropriate term of imprisonment. The commissioner of corrections shall notify the sentencing judge of all inmates who would be eligible for resentencing and the extent to which their terms of imprisonment would be reduced by the guidelines changes. Modifications to numbers in the cells of the sentencing guidelines grid shall not be retroactive to offenders on supervised release or to offenders who have had their supervised release revoked and who have been reimprisoned. Modifications to the sentencing guidelines other than numbers in the cells of the sentencing guidelines grid shall not be retroactive to inmates sentenced prior to the effective revision date.
- Sec. 5. Minnesota Statutes 1982, section 244.09, is amended by adding a subdivision to read:

Subd. 13. [RULEMAKING POWER.] The commission shall have authority to promulgate temporary and permanent rules to carry out the purposes of subdivision 5.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates; amending Minnesota Statutes 1982, section 244.01, subdivisions 2 and 8; 244.09, subdivision 5, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1562: A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, strike "executors" and insert "personal representatives"

Page 1, line 23, strike the comma after "being"

Page 1, line 24, strike the comma after "been"

Page 2, line 9, strike "left" and insert "has"

Page 2, line 10, strike "any" and insert "a"

Page 2, lines 13 to 15, delete the new language and insert "Any notice received by the secretary of state shall be forwarded to the appropriate consul."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1350: A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, delete ", one judge of the court of appeals," and strike "at"

Page 1, line 16, strike "least" and insert ", one judge of the court of

appeals,"

Page 1, line 24, delete ", one judge of the court of appeals," and strike "at least"

Page 1, line 24, before "two" insert ", one judge of the court of appeals."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1749: A bill for an act relating to insurance; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management services; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle." "motor vehicle." "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivision 5; 60A.198, subdivision 3; 60A.23, subdivision 8; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 14, insert:

"Section 1. Minnesota Statutes 1982, section 60A.13, subdivision 6, is amended to read:

Subd. 6. [COMPANY OR AGENT CANNOT CONTINUE BUSINESS UNLESS STATEMENT IS FILED.] No company or agent thereof shall transact any new business in this state after May thirty-first in any year unless it shall have previously transmitted the its annual statement to the commissioner and filed the a copy of its statement with the National Association of Insurance Commissioners with the required filing fee. The commissioner may annually require that each insurer pay the required fee to the National Association of Insurance Commissioners for the filing of annual statements."

Page 5, line 20, strike "\$500" and insert "\$150"

Page 29, after line 12, insert:

- "Sec. 27. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 10, is amended to read:
- Subd. 10. [REPORTING.] (a) After completing the minimum education requirement, each person subject to this section shall file or cause to be filed a compliance report annually in accordance with the procedures adopted by the commissioner.
- (b) Each compliance report must be accompanied by an annual continuing education fee of \$5 payable to the state of Minnesota for deposit in the general fund.
- (c) An institution offering an accredited course shall comply with the procedure for reporting compliance adopted by the commissioner.
- (d) If a person subject to this section completes a nonaccredited course, he may submit a written report to the advisory committee accompanied by a fee of not more than \$10 payable to the state of Minnesota for deposit in the general fund. This report must be accompanied by proof satisfactory to the commissioner that the person has completed the minimum education requirement for the annual period during which the nonaccredited course was completed. Upon the recommendation of the advisory committee that the course satisfies the criteria for course accreditation, the commissioner may approve the nonaccredited course and shall so inform the person. If the nonaccredited course is approved by the commissioner, it may be used to satisfy the minimum education requirement for the person's next annual compliance period.
- Sec. 28. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 11, is amended to read:
- Subd. 11. [ENFORCEMENT.] If a person subject to this section fails to complete the minimum education or reporting requirement or to pay the prescribed fees for any annual period, no license may be renewed or continued in force for that person for any class of insurance beginning June 1 of the year due and that person may not act as an insurance agent until the person has

demonstrated to the satisfaction of the commissioner that all requirements of this section have been complied with or that a waiver or extension has been obtained.

If a person subject to this section fails to file a compliance request or a request for a waiver or extension with the commissioner within 30 days of the date on which the person is required to report, the commissioner may issue an order summarily suspending that person's license. The order is effective upon service on the person by first class mail at his last known address on file with the commissioner. A person whose license has been summarily suspended under this subdivision may, within 15 days of the date of the order, request a hearing to be conducted according to the provisions of chapter 14. The hearing must be held within 15 days of the commissioner's receipt of the request, but the person may agree to an extension. The summary suspension remains in effect pending the outcome of the hearing."

Pages 38 to 41, delete section 32

Page 41, after line 16, insert:

"Sec. 35. Minnesota Statutes 1982, section 61A.03, is amended by adding a subdivision to read:

Subd. 2a. No life insurer subject to this section is required to file more than one policy with a policy loan provision providing for a fixed rate of interest."

Page 74, delete line 11 and insert "Sections 3, 5 to 19, 31, 32, 52 to 55, 66 to 73, 75, and"

Page 74, line 12, delete "74" and insert "77"

Page 74, line 14, delete "73" and insert "76"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "clarifying annual statement filing requirements;"

Page 1, line 10, after the semicolon, insert "clarifying continuing education reporting requirements;"

Page 1, line 17, after the semicolon, insert "clarifying policy form filing requirements;"

Page 1, line 33, after "60A.13," insert "subdivision 6, and"

Page 1, line 38, after "5;" insert "61A.03, by adding a subdivision;"

Page 2, line 6, delete "subdivision 5" and insert "subdivisions 5, 10, and 11"

Page 2, line 7, delete "60A.23, subdivision 8;"

Page 2, line 11, delete "and"

Page 2, line 12, before the period, insert "; and 69.031, subdivision 6"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1471: A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, strike "DISTRICT" and after "COURT" insert "OF APPEALS"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1913: A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.04, subdivisions 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 12, line 29, after "section" insert ", except those with private persons,"

Amend the title as follows:

Page 1, line 7, delete "subidivision" and insert "subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1553: A bill for an act relating to state government; ratifying state labor agreements and compensation plans.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, delete "through" and insert "on"

Page 2, after line 36, insert:

"Sec. 2. [INTERIM APPROVAL.]

After adjournment of the 1984 session but before the 1985 session of the legislature, the legislative commission on employee relations may give in-

terim approval to any negotiated agreement, arbitration award, or compensation or salary plan submitted to it under other law. The commission shall submit the agreement, award or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards and plans submitted after adjournment of the legislature in an odd-numbered year.

Sec. 3. [UNIT COMPOSITION SCHEDULE.]

The unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980, as amended by the legislature and by action of the bureau of mediation services, is amended by deleting the job classification "heavy equipment service attendant" from unit 3, and inserting this job classification in unit 2."

. Page 3, line 1, delete "2" and insert "4"

Page 3, line 2, delete "Section 1 is" and insert "Sections 1 to 3 are"

Amend the title as follows:

Page 1, line 3, after "plans" insert "; providing for interim approval of certain negotiated agreements and compensation plans; making a change in the state unit composition schedule"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1452: A bill for an act relating to trusts; eliminating procedures for confirming appointment of trustees; repealing Minnesota Statutes 1982, sections 501.33 to 501.38.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 524.3-913, is amended to read:

524.3-913 [DISTRIBUTIONS TO TRUSTEE.]

Before distributing to a testamentary trustee, the personal representative shall require that the trustee be qualified in a court of competent jurisdiction unless waived by the court or the will contains a waiver of qualification. Notwithstanding the waiver, upon petition of any interested person, the court may require qualification of the trustee in a court of competent jurisdiction. Qualification by a court of a testamentary trustee is not required before distributions can be made by a personal representative to the trustee, unless qualification is demanded by an interested person as follows:

- (1) by written demand delivered or mailed to the personal representative, or
- (2) by petition to the court having jurisdiction over the probate estate.

If demand is made, the personal representative shall require proof of qualification of the trustee in a court of competent jurisdiction and the personal

representative shall not make distributions to the trustee until the trustee is qualified by the court."

Delete the title and insert:

"A bill for an act relating to trusts; eliminating the requirement of qualifying trustees in certain cases; amending Minnesota Statutes 1982, section 524.3-913."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 9:00 p.m. and 9:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "felony" insert "or gross misdemeanor"

Page 1, line 16, after "of" strike "9:00" and insert "10:00" and after "and" strike "9:00" and insert "8:00"

Amend the title as follows:

Page 1, line 4, after "between" delete "9:00" and insert "10:00" and after "and" delete "9:00" and insert "8:00"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1575: A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; proposing new law coded in Minnesota Statutes, chapter 514.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [514.135] [COMPUTATION OF INTEREST ON CLAIMS.]

Except as otherwise provided by contract, interest awarded on mechanics' lien claims shall be calculated at the legal rate, as provided in section 334.01, from the time the underlying obligation arises until the expiration of 30 days after the claimant's last item of labor, skill, or materials was furnished to the improvement and shall be calculated thereafter at the rate computed for verdicts and judgments, as provided in section 549.09.

Sec. 2. [EFFECTIVE DATE.]

Section I applies to contracts entered into on or after August 1, 1984."

And when so amended the bill do pass. Amendments adopted. Report

adopted.

- Mr. Spear from the Committee on Judiciary, to which was re-referred
- S.F. No. 1240: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 24, strike "any public or private stocks or bonds" and insert "investments"
 - Page 3, line 5, delete "allow the"
- Page 3, delete lines 6 and 7 and insert "remove restrictions on the investment of the permanent school fund, permitting investment of the fund in a manner prescribed by law?"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was re-referred
- S.F. No. 480: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; removing references to legislative days.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, lines 15 and 16, strike "the first Monday following the third Saturday in May" and insert "May 21"
- Page 2, line 6, after "sessions" insert "and to require that sessions adjourn on or before May 21 of each year"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1337: A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "\$1" and insert "\$3"

Page 1, after line 22, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective October 1, 1984."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1832: A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on an inmate's scheduled release date; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 244.04, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION OF SENTENCE.] Notwithstanding the provisions of section 609.11, subdivision 6, and section 609.346, subdivision 1, the term of imprisonment of any inmate sentenced to a presumptive fixed sentence after May 1, 1980, shall be reduced in duration by one day for each two days during which the inmate violates none of the disciplinary offense rules promulgated by the commissioner. The reduction shall accrue to the period of supervised release to be served by the inmate.

Except as otherwise provided in subdivision 2, if an inmate violates a disciplinary offense rule promulgated by the commissioner, good time earned prior to the violation may not be taken away, but the inmate may be required to serve an appropriate portion of his term of imprisonment after the violation without earning good time.

- Sec. 2. Minnesota Statutes 1982, section 244.04, subdivision 2, is amended to read:
- Subd. 2. [LOSS OF GOOD TIME.] By May 1, 1980, the commissioner shall promulgate rules specifying disciplinary offenses which may result in the loss of good time and the amount of good time which may be lost as a result of each disciplinary offense, including provision for restoration of good time. In no case shall an individual disciplinary offense result in the loss of more than 90 days of good time; except that no inmate confined in segregation for violation of a disciplinary rule shall be placed on supervised release until discharged or released therefrom from punitive segregation confinement, nor shall an inmate in segregation for violation of a disciplinary rule for which he could also be prosecuted under the criminal laws earn good time while in segregation. The loss of good time shall be considered to be a disciplinary sanction imposed upon an inmate, and the procedure for the loss of good time and the rights of the inmate in the procedure shall be those in effect for the imposition of other disciplinary sanctions at each state correctional institution.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 244.05, subdivision 1, is amended to read:

Subdivision 1. [SUPERVISED RELEASE REQUIRED.] Except as provided in subdivisions 4 and 5, every inmate shall serve a supervised release term upon completion of his term of imprisonment as reduced by any good time earned by the inmate or extended by confinement in segregation pursuant to section 244.04, subdivision 2. The supervised release term shall be equal to the period of good time the inmate has earned, and shall not exceed

the length of time remaining in the inmate's sentence.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day after final enactment."

Amend the title as follows:

Page 1, line 3, delete "an inmate's" and insert "the"

Page 1, line 4, before the semicolon, insert "of certain inmates"

Page 1, line 4, after "Statutes" insert "1982, section 244.04, subdivision 2; and Minnesota Statutes"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1587: A bill for an act relating to game and fish; exempting certain aged and disabled Minnesota residents from small game and deer license fees; amending Minnesota Statutes 1982, section 98.47, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 98.47, is amended by adding a subdivision to read:

Subd. 19. A license to take small game or deer shall be issued for a charge of \$2.50 to a resident who is a recipient of supplemental security income for the aged or disabled, or is a recipient of social security aid to the disabled under United States Code, title 42, section 416, paragraph (i)(l) or section 423(d), or is a recipient of workers' compensation based on a finding of total and permanent disability. The commissioner shall transfer from the general fund and credit to the game and fish fund the amount that would otherwise have been deposited in the game and fish fund without regard to this subdivision. The amount necessary to make the transfer is appropriated from the general fund to the commissioner of natural resources.

Sec. 2. [EFFECTIVE DATE.]

This act is effective for 1985-1986 licenses and afterwards."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring the general fund to reimburse the game and fish fund for the cost of these free licenses; appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1395: A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "CONVEYANCE" and insert "LEASE"

Page 1, delete line 7

Page 1, line 8, delete "of" and delete ", shall convey" and insert "may lease"

Page 1, delete section 2

Page 1, line 19, delete "3" and insert "2"

Page 1, line 20, delete "Sections" and insert "Section" and delete "and 2 are" and insert "is"

Amend the title as follows:

Page 1, line 2, delete "conveyance" and insert "lease"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1371: A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "administration" insert "and upon approval of the community college board"

Page 1, line 10, delete everything after the first "to" and insert "the city of"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1316: A bill for an act relating to water; providing for comprehensive local water management; requiring counties to develop and implement county water and land resources plans; authorizing the environmental quality board to make comprehensive water planning grants to counties; providing additional authorities to counties; providing additional duties of the environmental quality board; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [116C.91] [TITLE.]

Sections 1 to 11 may be cited as the "Comprehensive Local Water Management Act."

Sec. 2. [116C.92] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 11.

- Subd. 2. [BOARD.] "Board" means the soil and water conservation board.
- Subd. 3. [CAPITAL IMPROVEMENT PROGRAM.] "Capital improvement program" means a program that states the schedule, timing, and details of specific contemplated capital improvements for a prospective five-year period by year, with the estimated cost and the need for each improvement, the financial sources and financial effect that the improvements will have on the county and other local units of government.
- Subd. 4. [COMPREHENSIVE WATER PLAN.] "Comprehensive water plan" means the plan required of counties by sections 1 to 11.
- Subd. 5. [GROUNDWATER SYSTEMS.] "Groundwater systems" means the 14 principal aquifers of the state as defined by the United States Geological Survey in Water-Resources Investigations 81-51, or its revisions.
- Subd. 6. [LOCAL UNITS OF GOVERNMENT.] "Local units of government" means statutory or home rule charter cities, towns, counties, soil and water conservation districts, organizations formed for the joint exercise of powers under section 471.59, and other special purpose districts or authorities in water and related land resources management at the local level.
- Subd. 7. [OFFICIAL CONTROLS.] "Official controls" means ordinances and regulations that control the physical development of the whole or part of a city, county, or town, or that implement the general objectives of the county or local government unit.
- Subd. 8. [RELATED LAND RESOURCES.] "Related land resources" means land affected by present or projected management practices that cause significant effects on the quantity and quality, or use of groundwater or surface water.
- Subd. 9. [WATERSHED UNITS.] "Watershed units" means each of the 81 major watershed units identified in the state watershed boundaries map prepared under Laws 1977, chapter 455, section 33, subdivision 7, paragraph (a) and accompanying data base, or its revisions.
- Sec. 3. [116C.93] [COUNTY WATER PLANNING AND MANAGE-MENT.]

Subdivision 1. [COUNTY DUTIES.] Each county shall develop and implement a comprehensive water plan. Each county has the duty and authority to:

- (1) prepare and adopt a comprehensive water plan that meets the requirements of sections 1 to 11;
 - (2) review and approve water plans, capital improvement programs, offi-

cial controls, and other water management measures submitted by local units of government according to sections 1 to 11; and

- (3) exercise powers necessary to implement comprehensive water plans.
- Subd. 2. [WATER PLAN REQUIREMENT.] A comprehensive water plan must cover the entire area within a county. A plan must address water problems in the context of watershed units and of groundwater systems. The plan must be prepared, adopted, and implemented according to sections 1 to 11
- Subd. 3. [DELEGATION.] The county is responsible for preparing, adopting, and implementing the comprehensive water plan, but may delegate all or part of the preparation of the plan to a local unit of government or a joint powers agreement with other counties. The county may not delegate authority for the exercise of eminent domain, taxation, or assessment to a local unit of government that does not possess these powers.
- Subd. 4. [COORDINATION.] (a) To assure coordinated efforts during the preparation and implementation of a comprehensive water plan, each county shall conduct meetings and may execute agreements with local units of government establishing the responsibilities of each unit during the preparation and implementation of the comprehensive water plan. To assist the counties, the board shall draft model agreements for use by the counties in this process.
- (b) Each county shall coordinate its planning program with contiguous counties. Before meeting with local units of government a county board shall notify the county boards of each county contiguous to it that it is about to begin preparing its comprehensive water plan and request and hold a joint meeting with these county boards to consider the planning process.
- Subd. 5. [SCOPE OF PLANS.] Comprehensive water plans shall be based on the principles of sound hydrologic management of surface water and groundwater, effective environmental protection, and efficient management. The comprehensive water plan must include:
- (1) a description of the existing physical environment, land use, and development in the county and expected changes to them.
- (2) available information about the surface water, groundwater, and related land resources in the county, including existing and potential distribution, availability, quality, and use;
- (3) objectives for future development, use, and conservation of water and related land resources and a description of actions that will be taken to achieve the objectives;
- (4) a description of possible conflicts between county objectives and state programs, policies, and requirements;
- (5) a description of possible conflicts between the comprehensive water plan and existing plans of other local units of government;
- (6) county management objectives for water quantity and quality and related land use conditions;
- (7) an implementation program that is consistent with the management objectives and includes schedules for amending official controls and plans of

local units of government to conform with the comprehensive water plan and a capital improvement program; and

- (8) a procedure for amending the comprehensive water plan.
- Subd. 6. [RULES.] The board shall adopt rules prescribing the scope, content and conditions for approval of a comprehensive water plan. The rules shall require, as a condition of approval, evidence that comprehensive water plans within a single watershed or groundwater system are consistent. The rules shall encourage the use of existing plans and available data.
- Subd. 7. [COMPLETION.] The comprehensive water plan shall be prepared and submitted for review within three years after the effective date of rules adopted by the board under sections 1 to 11. The comprehensive water plan shall extend through the year 1995 and any later year that is evenly divisible by five. Existing plans and official controls shall remain in effect until amended or superseded by a comprehensive water plan adopted under sections 1 to 11.

Sec. 4. [116C.94] [COMPREHENSIVE WATER PLAN REVIEW AND ADOPTION.]

- Subdivision 1. [LOCAL REVIEW.] Upon completion of the comprehensive water plan, but before final adoption by the county board, the county board shall submit the comprehensive water plan for review and comment to all local units of government wholly or partly within the county and to the applicable regional development commission, if any. The county shall submit the comprehensive water plan to any contiguous county or watershed management organization as defined in section 473.876 within the same watershed unit or groundwater system covered by the comprehensive water plan for review and comment. In comments to the county board:
- (1) a local unit of government that must amend its existing plan or official controls to bring its management program into conformance with the comprehensive water plan shall describe necessary amendments; and
- (2) a contiguous county or watershed management organization as defined in section 473.876 within the same watershed unit or groundwater system shall describe possible conflicts with an existing or proposed comprehensive water plan and suggest measures to resolve the conflicts.
- Subd. 2. [LOCAL REVIEW PERIOD.] Comments under subdivision 1 must be submitted to the county board within 60 days after receiving a comprehensive water plan for comment, unless the county board determines that good cause for an extension of this period exists.
- Subd. 3. [STATE REVIEW.] (a) After completion of the review by local units of government but before final adoption, the county board shall submit its comprehensive water plan and all comments it has received to the board for review. The board shall determine whether the comprehensive water plan is consistent with state law and rules. The board shall complete the review within 90 days after receiving a comprehensive water plan, unless the county board determines that there is good cause for extension of this period. The board shall consult with the departments of agriculture, health, and natural resources; the pollution control agency; the water resources board; and other necessary state agencies during the review.

- (b) The board shall conduct a public hearing on the plan within the county before approving or disapproving all or part of the plan. Notice of the hearing shall be given by the board by publication published once each week for two successive weeks prior to the date of the hearing in a legal newspaper in the county. The last publication shall occur at least ten days before the hearing. Notice shall also be mailed by the board to the chief official of each affected municipality at least 30 days before the hearing.
- (c) The board may disapprove all or part of a comprehensive water plan that it determines is not consistent with state laws or rules. A disapproved comprehensive water plan must be revised by the county board and resubmitted for approval by the board within 120 days after receiving notice of disapproval of the comprehensive water plan, unless the board extends the period for good cause.
- Subd. 4. [ADOPTION; IMPLEMENTATION.] The county board shall adopt and initiate implementation of its comprehensive water plan within 120 days after receiving notice of approval from the board.
- Subd. 5. [AMENDMENTS.] Amendments to a comprehensive water plan must be submitted to local units of government and to the board in the same manner as a comprehensive water plan.

Sec. 5. [116C.95] [PLANNING GRANTS TO COUNTIES.]

Subdivision 1. [GRANTS.] The board shall make grants to counties to assist the counties in carrying out their planning duties with respect to sections 1 to 11. Only counties are eligible to receive grants but they may contract with local units of government to complete planning responsibilities under sections 1 to 11. Grants may be used to employ staff or to contract with other local units of government to:

- (1) develop, evaluate, and update comprehensive water plans required by sections 1 to 11;
- (2) assist local units of government in revising existing plans or official controls as required by sections 1 to 11; or
- (3) provide direct financial assistance to local units of government that complete a planning requirement for a county under a written agreement with the county or that are required to make substantial amendments to local plans and official controls as the result of the comprehensive water plan or an amendment to it.
- Subd. 2. [FUNDS TO LOCAL UNITS.] Counties that receive grants under this section shall make funds directly available to local units of government that are required to make substantial amendments to local plans and official controls as the result of the comprehensive water plan or an amendment to it. Counties shall identify the potential recipient of funds in the application to the board.
- Subd. 3. [LOCAL MATCH.] Grants may not exceed 50 percent of the cost of the comprehensive water planning program. A county may provide its portion of the cost through in-kind services and may include in-kind services of other local units of government if the local units of government receive direct financial assistance under sections 1 to 11.
 - Sec. 6. [116C.96] [AUTHORITY UNDER APPROVED COMPREHEN-

SIVE WATER PLANS.]

- (a) Upon adoption of an approved comprehensive water plan, a county is granted the following authority. The county may adopt permit programs and other regulatory procedures including requirements for an emergency plan and for approval of projects. The county may regulate the use and development of water resources within incorporated areas and use the authority of a watershed district under chapter 112 to regulate the use and development of land in a municipality if any of the following conditions exist:
- (1) the municipality does not have a local water management plan or official control that is consistent with the comprehensive water plan;
- (2) an application to the municipality for a permit for the use and development of water and related land resources requires an amendment to or a variance from the comprehensive water management plan or a variance from the adopted local water management plan or implementation program of the municipality;
- (3) the municipality has authorized the county to require permits for the use and development of water and related land resources; or
- (4) a state agency has delegated the administration of a state permit program to the county.
 - (b) A county may:
- (1) acquire in the name of the county, by condemnation under chapter 117, real and personal property found by the county board to be necessary for the implementation of an approved comprehensive water plan;
- (2) assess the costs of projects undertaken under sections 1 to 11 upon the property benefited within the county in the manner provided by chapter 429, except that the definition of benefited properties provided in section 112.501, subdivision 2, shall apply;
- (3) petition the water resources board to terminate or consolidate watershed districts that intersect the county if the petition is signed by all counties that are intersected by the district and each county has an approved plan; and
- (4) charge users for services provided by the county in connection with the comprehensive water plan.
- Sec. 7. [116C.97] [CONSISTENCY OF LOCAL PLANS AND CONTROLS WITH THE COMPREHENSIVE WATER PLAN.]
- Subdivision 1. [REQUIREMENT.] Local units of government shall amend existing water and related land resources plans, capital improvement programs, official controls, and other water management measures as necessary to conform local water management with the comprehensive water plan following the procedures in this section.
- Subd. 2. [PROCEDURE.] Within 90 days after local units of government are notified by the county board of the adoption of a comprehensive water plan or of adoption of an amendment to a comprehensive water plan, the local units of government exercising water and related land resources planning and regulatory responsibility for areas within the county shall submit existing plans, capital improvement programs, official controls, or other water man-

agement measures to the county board for review. The county board shall identify any inconsistency with the comprehensive water plan and shall describe the amendments necessary to bring local plans, programs, controls, and other measures into conformance with the comprehensive water plan.

- Subd. 3. [REVISION; IMPLEMENTATION.] Local units of government shall revise existing plans, programs, controls, and other water management measures to conform with recommendations of the county board and shall initiate implementation of revised elements within 90 days after receiving the recommendations of the county board.
- Subd. 4. [APPEALS.] A local unit of government may, within 45 days after receiving the recommendation of the county board, appeal to the soil and water conservation board for a hearing on a disputed matter as provided in section 11, subdivision 4.
- Subd. 5. [NEW PLANS AND MEASURES.] New water and related land resources plans, capital improvement programs, official controls, and other water management measures proposed by local units of government shall be submitted to the county board for review and recommendation as provided under subdivisions 2 to 4.
- Subd. 6. [AMENDMENTS.] Amendments or variances to local plans and measures must be submitted to the county board for review and recommendation according to the procedures in this section.

Sec. 8. [DUPLICATION OF PREVIOUS WORK PROHIBITED.]

To complete the provisions of sections 1 to 11 the soil and water conservation board or any political subdivision may not require plans, studies, or data to be furnished that have been done and provided by other state agencies.

Sec. 9. [116C.98] [EXEMPTION FROM LEVY LIMIT.]

A levy to pay the cost of implementing sections 1 to 11 or to pay cost of improvements or maintenance of improvements identified in an adopted comprehensive water plan shall be in addition to other taxes authorized by law and shall be disregarded in the calculation of limits on taxes imposed by chapter 275.

Sec. 10. [116C.99] [CAPITAL IMPROVEMENTS; PAYMENT BY COUNTY.]

Subdivision 1. [GENERAL.] Each county shall approve capital improvements in a comprehensive water plan or certified to it by a soil and water conservation district, or lake improvement district that has adopted a plan, program, or set of controls or other water management measures in conformance with the comprehensive water plan in the manner specified in section 473.882, subdivision 2, except that the county board is responsible for conducting the hearing and making findings.

Subd. 2. [APPORTIONMENT OF COSTS.] If a proposed improvement will significantly affect the flow or quality of water within a watershed unit or groundwater system that extends into more than one county, the cost of the improvement shall be certified to the respective county boards in the proportions prescribed in the capital improvement program of the county where the improvement is located. A county that disagrees with the decision of another

county about apportionment of the cost may within 45 days after notification of the county share of the cost, appeal the certification to the board for final resolution of the conflict.

- Subd. 3. [BONDS; TAXES.] A county that has adopted a comprehensive water plan may use the bond and tax provisions of section 473.882, subdivisions 3 and 4 for capital improvements under sections 1 to 11.
- Subd. 4. [DRAINAGE PROJECTS.] This section does not apply to a public drainage system established, maintained, or improved under chapter 106.

Sec. 11. [EFFECT ON CHAPTER 106.]

The provisions of this act shall not change the duties, procedures, and powers established under chapter 106. The provisions of chapter 106 shall be independent of sections 1 to 11 and not subject to sections 1 to 11.

Sec. 12. [116C.991] [APPLICATION.]

Sections 1 to 11 apply to all counties except as follows:

- (1) in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington sections 1 to 11 apply only in the portions of the counties not subject to the requirements of sections 473.875 to 473.883; and
- (2) if a local governmental unit in a portion of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott or Washington county not subject to the requirements of sections 473.875 to 473.883 has formed a joint powers watershed management organization with local units of government subject to the requirements of sections 473.875 to 473.883 before December 31, 1984, sections 1 to 11 do not apply to that local governmental unit; and
- (3) in portions of counties subject to sections 112.34 to 112.89 and rural water systems established under chapter 116A.

Sec. 13. [116C.992] [DUTIES OF THE BOARD.]

Subdivision 1. [DUTIES.] The board shall:

- (1) adopt compehensive water plan guidelines under the provisions of chapter 14;
- (2) establish a process for review and approval or modification of comprehensive water plans that assures the plans are consistent with state law and rules;
- (3) establish a procedure for resolving conflicts about comprehensive water plans or their implementation; and
 - (4) prepare draft model agreements under section 3, subdivision 4.
- Subd. 2. [RULEMAKING AUTHORITY.] The board shall adopt rules necessary to implement sections 1 to 11.
- Subd. 3. [CONTESTED CASES.] The decision of the board to disapprove or require modification of a comprehensive water plan may be contested by the affected county. The county shall have 60 days to request a hearing on the board decision to require modification or to disapprove the plan. If within 60 days the county has not requested a hearing, the decision of the board is final. If the affected county requests a hearing, a hearing shall be conducted by the

state office of administrative hearings within 60 days of the request. The subject of the hearing may not extend to questions concerning the need for a comprehensive water plan. In the report of the hearing examiner, the cost of the proceeding shall be apportioned among the parties to the proceeding. Within 30 days after receiving the report of the hearing examiner, the board shall, by resolution containing findings of fact and conclusions, make a final decision with respect to the required changes in the comprehensive water plan. A party to the proceeding may appeal the decision to the courts in the manner provided by chapter 14 for contested cases.

- Subd. 4. [CONFLICT RESOLUTION.] The board shall hear and resolve a conflict if:
- (1) the interpretation and implementation of a comprehensive water plan within the county is challenged;
- (2) two or more counties disagree about the apportionment of the cost of an improvement; or
- (3) a county and a local unit of government disagree about a change in a local plan.

To attempt to resolve the issue without a formal hearing, a party to the dispute may petition the board for an informal hearing to be conducted before the chairman of the board. If the matter cannot be resolved, a formal hearing before the board may be requested. Within 30 days of the formal hearing, the board shall issue its findings and conclusions which shall be binding on the parties.

Sec. 14. [APPROPRIATION.]

There is appropriated from the general fund to the board a sum of \$..... for the purpose of carrying out section 5."

Amend the title as follows:

Page 1, lines 8 and 9, delete "environmental quality" and insert "soil and water conservation"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 961: A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to eligible beginning farmers; amending Minnesota Statutes 1982, section 290.01, subdivisions 20a, as amended, and 20b, as amended; proposing new law coded in Minnesota Statutes, chapter 290.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

- Subd. 20a. [MODIFICATIONS INCREASING FEDERAL ADJUSTED GROSS INCOME.] There shall be added to federal adjusted gross income:
- (1) Interest income on obligations of any state other than Minnesota or a political subdivision of any other state exempt from federal income taxes under the Internal Revenue Code of 1954;
- (2) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;
- (3) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;
- (4) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;
- (5) The amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 that was previously allowed as a deduction under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);
- (6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;
- (7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;
- (8) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;
- (9) To the extent deducted in computing the taxpayer's federal adjusted gross income for the taxable year, losses recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;
- (10) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, if the nonprofit corporation is domiciled outside of Minnesota;
- (11) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;
- (12) The amount of any excluded gain recognized by a trust on the sale or exchange of property as defined in section 641(c)(1) of the Internal Revenue Code of 1954;
 - (13) To the extent not included in the taxpayer's federal adjusted gross

income, the amount of any gain, from the sale or other disposition of property having a lower adjusted basis for Minnesota income tax purposes than for federal income tax purposes. This modification shall not exceed the difference in basis. If the gain is considered a long term capital gain for federal income tax purposes, the modification shall be limited to 40 percent of the portion of the gain. This modification is limited to property that qualified for the equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

- (14) The amount of any loss from a source outside of Minnesota which is not allowed under section 290.17 including any capital loss or net operating loss carryforwards or carrybacks resulting from the loss;
- (15) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);
- (16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;
- (17) Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;
- (18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered;
- (19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law: and
- (20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954; and
- (21) amounts previously subtracted under section 3, subdivision 4, and required to be included under section 3, subdivision 7, due to termination of a lease.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:
- Subd. 20b. [MODIFICATIONS REDUCING FEDERAL ADJUSTED GROSS INCOME.] There shall be subtracted from federal adjusted gross income:
- (1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;
 - (2) The portion of any gain, from the sale or other disposition of property

having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to 40 per centum of the portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

- (3) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);
- (4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;
- (5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether the amount is received as a refund or credited to another taxable year's income tax liability;
- (6) To the extent included in federal adjusted gross income, or the amount reflected as the ordinary income portion of a lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, notwithstanding any other law to the contrary, the amount received by any person (i) from the United States, its agencies or instrumentalities, the Federal Reserve Bank or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer firefighter's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, (ii) as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. The maximum amount of this subtraction shall be \$11,000 less the amount by which the individual's federal adjusted gross income, plus the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, exceeds \$17,000. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. In the case of a volunteer firefighter who receives an involuntary lump sum distribution of his pension or retirement benefits, the maximum amount of this subtraction shall be \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,000;

- (7) To the extent included in the taxpayer's federal adjusted gross income for the taxable year, gain recognized upon a transfer of property to the spouse or former spouse of the taxpayer in exchange for the release of the spouse's marital rights;
- (8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;
- (9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;
- (10) The first \$3,000 of compensation for personal services in the armed forces of the United States or the United Nations, and the next \$2,000 of compensation for personal services in the armed forces of the United States or the United Nations wholly performed outside the state of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);
- (11) The amount of any income earned for personal services rendered outside of Minnesota prior to the date when the taxpayer became a resident of Minnesota. This modification does not apply to compensation defined in subdivision 20b, clause (6);
- (12) In the case of wages or salaries paid or incurred on or after January 1, 1977, the amount of any credit for employment of certain new employees under sections 44B and 51 to 53 of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;
- (13) In the case of work incentive program expenses paid or incurred on or after January 1, 1979, the amount of any credit for expenses of work incentive programs under sections 40, 50A and 50B of the Internal Revenue Code of 1954 which is claimed as a credit against the taxpayer's federal tax liability, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;
- (14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;
- (15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;
- (16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than nine percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less

than \$150,000 and (2) the property sold under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

- (17) Interest earned on a land sale contract or seller-sponsored loan, capital gains or income recognized on the sale of agricultural land, or income received from the rental of agricultural land, as allowed in section 3;
- (18) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax;
- (18) (19) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); and
- (19) (20) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted.
- Sec. 3. [290.088] [SUBTRACTIONS FOR SALE OR RENTAL OF AGRICULTURAL LAND.]

Subdivision 1. [APPLICABILITY.] The definitions in this subdivision apply to this section.

- (a) "Agricultural land" means land within the state that is or has been devoted for the last five years to agricultural purposes and includes agricultural buildings and an agricultural homestead located on the land. Wetlands, naturally vegetated lands, and woodlands contiguous to or surrounded by agricultural lands are agricultural lands if they are under the same ownership or management as the agricultural lands during the period of agricultural use.
- (b) "Agricultural purposes" means the production of vegetables, forage, grains, and other agricultural crops, livestock or livestock products, dairy animals or dairy products, poultry or poultry products, horticultural and nursery stock, fruit, or bees and apiary products.
- (c) "Beginning farmer" means a person who is a United States citizen and a Minnesota resident; who provides proof of participation in a farm management program; who uses or intends to use the agricultural land purchased or rented exclusively for agricultural purposes; who has, with the assistance of

the local soil and water conservation office, prepared a plan for the farm rented or purchased; who has received more than one-half of the person's annual gross income before deducting expenses or taxes from the occupation of using agricultural land for agricultural purposes, unless the person initially begins farming during the first tax year a subtraction is allowed under this section; and who has, including spouse and dependents, a total net worth valued at less than \$150,000, adjusted as provided in subdivision 6.

- (d) "Landowner" means a partner, family farm corporation, or an authorized farm corporation as defined in section 500.24, subdivision 2, that owns agricultural land, or an individual who is a United States citizen or permanent resident alien, and a Minnesota resident who owns agricultural land, except that a partner, family farm corporation, authorized farm corporation, or individual that acquires agricultural land to obtain the income tax subtraction in this section is not a landowner.
- (e) "Net rental income" means income, in cash or in crops, from the rental of at least 80 acres of agricultural land under a written lease for a term of at least three years less the expenses of renting the land. If the lease provides for rent payment in crops, the amount of rental income is the cash value of the crops when the landowner has control over the crops or can demand payment of the crops under the lease.
- (f) "Seller-sponsored loan" has the meaning given it in section 41.52, subdivision 8.
- Subd. 2. [CAPITAL GAINS SUBTRACTION.] To the extent included in federal adjusted gross income, there is allowed as a subtraction from the federal adjusted gross income of a landowner 50 percent of the capital gains or income recognized and otherwise taxable on the sale of at least 80 acres of agricultural land to a beginning farmer for agricultural purposes. The subtraction is not allowed unless the landowner covenants on the deed that the land will be kept only in agricultural use for a period of at least ten years and that the restrictive covenant will be binding on the purchaser, his successors and assigns, and will run with the land. A sale of the land for nonagricultural purposes may be allowed only if the governor declares a public emergency and allows the sale through executive order. The subtraction shall apply only to capital gains or income recognized in the taxable year during which the sale occurred. The subtraction shall not apply to that portion of capital gains or income recognized and included in federal adjusted gross income that exceeds \$50,000.
- Subd. 3. [SUBTRACTION FOR INTEREST ON SALE WITH SELLER-SPONSORED LOAN.] There shall be allowed as a subtraction from the federal adjusted gross income of a landowner on the sale of at least 80 acres of agricultural land for agricultural purposes, 100 percent of the interest income earned on a seller-sponsored loan to a beginning farmer if the following conditions are met:
- (1) the loan will be completely amortized in 20 years or more with even payments of interest and principal and no balloon payment at the end, or the loan is amortized for 20 years or more with a balloon payment after ten years or more;
 - (2) the loan has an annual imputed interest rate equal to the minimum rate

allowed by the Internal Revenue Service for transactions between nonrelated parties to meet installment sales requirements; and

- (3) the interest is not excludable under section 41.58, subdivision 3.
- Subd. 4. [SUBTRACTION FOR NET RENTAL INCOME.] (a) There shall be allowed as a subtraction from federal adjusted gross income 50 percent of the net rental income received by a landowner from a beginning farmer for the use of agricultural land for agricultural purposes. A landowner may not subtract more than \$10,000 in any tax year under this subdivision. A landowner may subtract net rental income under this subdivision for the tax year in which the lease began and in no more than the next four succeeding tax years.
- (b) A landowner may make this subtraction from income from only one beginning farmer on the same tract or parcel of land. The landowner must certify on the return that no rental agreement with any other person was canceled to make the subtraction in this subdivision. The rent stated in the lease must be equal to or less than the prevailing free market gross rental rate for that grade of land as determined for property tax purposes for assessments made on January 2 of the year in which the lease is executed. The lease may provide that the rental rate shall be related to the prevailing free market gross rental rate as determined for each year.
- Subd. 5. [QUALIFICATION.] To qualify for a subtraction under this section, the taxpayer shall file, with the first income tax return on which the taxpayer claims a subtraction under this section, a separate notarized statement for each sale or lease from the beginning farmer who purchased or rented the land. The statement shall contain a list of the assets, debts, and net worth of the beginning farmer, a description of the land rented or purchased, and the rental amount or sale price and sale terms, certification of intended participation in a farm management program using the land purchased or rented for agricultural purposes, and other information required by the commissioner of revenue.
- Subd. 6. [NET WORTH ADJUSTMENT.] The maximum net worth allowed for qualification as a beginning farmer is \$150,000 for taxable years beginning in calendar year 1984. For taxable years beginning in each calendar year after 1984, the maximum net worth amount for the previous year shall be adjusted by the percentage used to adjust the taxable net income brackets as provided in section 290.06, subdivision 2d, for that taxable year. The percentage announced by the commissioner in October under section 290.06, subdivision 2d, shall be the percentage by which the maximum net worth amount is increased for sales occurring or leases first occurring during the following calendar year.
- Subd. 7. [EARLY TERMINATION OF LEASE.] If a lease is terminated by a land owner prior to expiration of the minimum three-year lease period, there shall be added to gross income for the taxable year in which the lease was terminated amounts subtracted in previous years under subdivision 4, to the extent that the subtraction resulted in a tax benefit.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective for the sale or rental of agricultural land after June 30, 1984."

Delete the title and insert:

"A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to eligible beginning farmers; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b; proposing new law coded in Minnesota Statutes, chapter 290."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1419: A bill for an act relating to agriculture; establishing a grape research and promotion program funded by a portion of the wine excise tax; appropriating money; amending Minnesota Statutes 1983 Supplement, section 340.485, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 340.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, delete "and promotion"

Page 2, line 21, delete "AND PROMOTION"

Page 2, line 24, delete "and promotion"

Page 2, line 26, delete "levied" and insert "collected" and delete "Minnesota Statutes,"

Page 2, line 29, delete "levied" and insert "collected" and delete "Minnesota Statutes,"

Page 2, line 32, delete "and promotion"

Pages 2 and 3, delete subdivisions 3 and 4 and insert:

"Subd. 3. [PROGRAM ADMINISTRATION.] The University of Minnesota Agricultural Experiment Station in cooperation with members of the Minnesota Grape Growers Association and other active regional grape growers shall form a grape research committee for the purpose of establishing research priorities and administering the grape research fund.

These funds are to be used to expand and improve grape research programs as deemed appropriate by the grape research committee. Funds may be made available to universities, colleges, corporations and individuals whose research proposals are approved by the grape research committee.

The grape research committee shall consist of active area grape growers, processors, and researchers appointed by the director of the University of Minnesota Agricultural Experiment Station.

Subd. 4. [APPROPRIATIONS.] There is annually appropriated to the grape research committee the amount contained in the grape research fund account in the state treasury for the purpose of funding grape research as might be of benefit to the people of Minnesota."

Amend the title as follows:

Page 1, line 3, delete "and promotion"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which were referred the following appointments as reported in the Journal for March 8, 1984:

TRANSPORTATION REGULATION BOARD Roger Laufenburger

John E. Moran Lorraine Mayasich

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

Senate Resolution No. 71: A Senate resolution welcoming former state senators back to the Senate upon the occasion of the first general reunion of former senators.

Reports the same back with the recommendation that the resolution do pass. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1473, 1365, 1354, 1562, 1350, 1471, 1913, 1553, 1452, 1398, 1575, 1337, 1832, 1395 and 1371 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Knutson moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Storm be added as chief author to S.F. No. 1402. The motion prevailed.

Mr. DeCramer moved that the names of Messrs. Peterson, R.W. and Isackson be added as co-authors to S.F. No. 1451. The motion prevailed.

Mr. Merriam moved that the name of Mr. Davis be added as a co-author to S.F. No. 1725. The motion prevailed.

Ms. Olson moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1796. The motion prevailed.

Mr. Petty moved that the name of Mr. Luther be added as a co-author to S.F. No. 1836. The motion prevailed.

Mr. Wegscheid moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 1882. The motion prevailed.

Mrs. Lantry moved that the names of Messrs. Moe, D.M. and Dieterich be added as co-authors to S.F. No. 1931. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 1934. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 1969. The motion prevailed.

Mr. Peterson, C.C. moved that S. F. No. 1436 be withdrawn from the Committee on Agriculture and Natural Resources and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Messrs. Merriam, Davis, Bernhagen and Bertram introduced-

Senate Resolution No. 81: A Senate resolution proclaiming March 21, 1984, to be "Agriculture Day" in Minnesota.

WHEREAS, Minnesota is among the nation's leading producers of agricultural crops, livestock, and commodities; and,

WHEREAS, Minnesota's 105,000 farms over nearly 51 million acres last year provided approximately 40 percent of the state's gross economic product; and,

WHEREAS, farming and farm-related industries provided nearly one-third of the total employment opportunities in Minnesota; and,

WHEREAS, last year, the average farmer in Minnesota had the productive ability to feed 78 people for an entire year; and,

WHEREAS, the future strength and vitality of Minnesota's overall economy depends in large part on the strength and vitality of the state's agricultural economy; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that March 21 is proclaimed to be state "Agriculture Day" to recognize the overwhelming contribution made by agriculture and agriculture-related industries to a high quality standard of living in Minnesota. The tremendous problems facing state farmers today is recognized and their commitment to preserving the family farm tradition in this state is commended.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the Chairman of the Senate Rules and Administration Committee, and that it be presented to the proper representatives of Minnesota's agricultural producers and related industries.

Mr. Merriam moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Storm introduced—

Senate Resolution No. 82: A Senate resolution congratulating the Hornets Hockey team from Edina High School for winning the 1984 State High School Hockey Championship.

Referred to the Committee on Rules and Administration.

Mr: Benson introduced-

Senate Resolution No. 83: A Senate resolution congratulating the team from Southland High School for winning the National Future Farmers of America Agricultural Mechanics Competition.

Referred to the Committee on Rules and Administration.

Mr. Pehler introduced-

Senate Resolution No. 84: A Senate resolution congratulating the Eagles hockey team from St. Cloud Apollo High School for participating in the 1984 State High School Hockey Tournament.

Referred to the Committee on Rules and Administration.

Mr. Wegscheid introduced-

Senate Resolution No. 85: A Senate resolution extending congratulations to the Apple Valley High School's A.V. Aires on winning first place in the Aquatennial-Pepsi-Cola High School Danceline Competition.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved to adopt Senate Resolution No. 71 in accordance with the committee report adopted today.

Senate Resolution No. 71: A Senate resolution welcoming former state senators back to the Senate upon the occasion of the first general reunion of former senators.

WHEREAS, those elected to the state Senate have shared much together, including long hours, difficult decisions, victory, and defeat; and

WHEREAS, all present and former senators share an abiding respect for the Senate as an institution and individually have continued the association to see the institution change; and

WHEREAS, a common feature of service in the Senate is the making of new friendships from throughout the state that have lasted over the years; and

WHEREAS, all present and former members of the Senate share the knowledge that they have helped build the state of Minnesota; and

WHEREAS, it is appropriate for this group of men and women who have shared so much to meet together again; and

WHEREAS, it is appropriate for new members of the Senate to meet some of the former senators whose names they often hear in the oral history, if not legend, of the body; and

WHEREAS, the first general reunion of former senators will occur on March 21, 1984; NOW, THEREFORE;

BE IT RESOLVED by the Senate of the state of Minnesota that it commends all former senators for their dedication, diligence, and public service upon the occasion, on March 21, 1984, of the first general reunion of former senators. It welcomes them back to the senate as the distinguished statesmen and women they are. It wishes them well in everything and urges them to return frequently.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare enrolled copies of this resolution to be authenticated by his signature and that of the Chairman of the Senate Rules and Administration Committee, and present them to each former senator attending the Senate reunion

on March 21, 1984.

The motion prevailed. So the resolution was adopted.

Mr. Peterson, C.C. moved that the name of Mr. Purfeerst be added as a co-author to S.F. No. 1634. The motion prevailed.

CALENDAR

S.F. No. 1453: A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Dieterich	Laidig	Pehler	Sieloff
Benson	Frederickson	Langseth	Peterson, C.C.	Solon
Berg	Freeman	Lantry	Peterson, D.C.	Spear
Berglin	Hughes	Lessard	Peterson, D.L.	Storm
Bernhagen	Johnson, D.E.	Luther	Peterson, R.W.	Taylor
Bertram	Johnson, D.J.	Mehrkens	Petty	Ulland
Chmielewski	Jude	Merriam	Pogemiller	Waldorf
Dahl	Kamrath	Moe, D. M.	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	
Dicklich	Kroening	Novak	Renneke	
Diessner	Kronebusch	Olson	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 1396: A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Dieterich	Laidig	Peterson, C.C.	Solon
Benson	Frederickson	Langseth	Peterson, D.C.	Spear
Berg	Freeman	Lantry	Peterson, D.L.	Storm
Berglin	Hughes	Luther	Peterson, R.W.	Taylor
Bernhagen	Johnson, D.E.	Mehrkens	Petty	Ulland
Bertram	Johnson, D.J.	Merriam	Pogemiller	Waldorf
Chmielewski	Jude	Moe, D. M.	Purfeerst	Wegscheid
Dahl	Kamrath	Moe, R. D.	Ramstad	Willet
Davis	Knaak	Nelson	Reichgott	
DeCramer	Knutson	Novak	Renneke	
Dicklich	Kroening	Olson	Schmitz	
Diessner	Kronebusch	Pehler	Sieloff	

So the bill passed and its title was agreed to.

S.F. No. 868: A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 10, as follows:

Those who voted in the affirmative were:

Benson	Frederickson	Langseth	Peterson, C.C.	Sieloff
Berg	Freeman	Lantry	Peterson, D.C.	Spear
Berglin	Hughes	Luther	Peterson, D.L.	Storm
Bernhagen	Johnson, D.E.	Mehrkens	Peterson, R.W.	Taylor
Chmielewski	Kamrath	Merriam	Petty	Ulland
Dahl	Knaak	Moe, D. M.	Pogemiller	Waldorf
Davis	Knutson	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Kroening	Nelson	Reichgott	
Diessner	Kronebusch	Novak	Renneke	•
Dieterich	Laidig	Olson	Schmitz	

Those who voted in the negative were:

Belanger	Dicklich	Jude	Pehler	Solon
Bertram	Johnson, D.J.	Lessard	Purfeerst	Willet

So the bill passed and its title was agreed to.

S.F. No. 1349: A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger Benson Berg	Dieterich Frederickson Freeman	Laidig Langseth Lantry	Pehler Peterson, C.C. Peterson, D.C.	Sieloff Solon Spear
Berglin	Hughes	Lessard	Peterson, D.L.	Storm
Bernhagen Bertram	Johnson, D.E. Johnson, D.J.	Luther Mehrkens	Peterson, R.W. Pettv	Taylor Ulland
Chmielewski	Jude	Merriam	Pogemiller	Waldorf
Dahl	Kamrath	Moe, D. M.	Purfeerst	Wegscheid
Davis	Knaak	Moe, R. D.	Ramstad	Willet
DeCramer	Knutson	Nelson	Reichgott	
Dicklich	Kroening	Novak	Renneke	
Diessner	Kronebusch	Olson	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 1475: A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Dieterich Pehler Sieloff Belanger Laidig Langseth Peterson, C.C. Solon Benson Frederickson Berg Freeman Lantry Peterson, D.C. Spear Lessard Peterson, D.L. Storm Berglin Hughes Johnson, D.E. Luther Peterson, R.W. Taylor Bernhagen Bertram Johnson, D.J. Mehrkens Petty Ulland Pogemiller Waldorf Chmielewski Jude Merriam Wegscheid Moe, D. M. Purfeerst Kamrath Dahi Moe, R. D. Willet Ramstad Davis Knaak Reichgott DeCramer Knutson Nelson Renneke Novak Dicklich Kroening Schmitz Diessner Kronebusch Olson

So the bill passed and its title was agreed to.

S.F. No. 1476: A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Pehler Sieloff Belanger Dieterich Laidig Peterson, C.C. Peterson, D.C. Solon Benson Frederickson Langseth Berg Freeman Lantry Spear Storm Peterson, D.L. Berglin Hughes Lessard Johnson, D.E. Peterson, R.W. Taylor Luther Bernhagen Johnson, D.J. Mehrkens Petty Ulland Bertram Waldorf Chmielewski Jude Merriam Pogemiller Wegscheid Moe, D. M. Purfeerst Dahl Kamrath Willet Davis Knaak Moe, R. D. Ramstad DeCramer Knutson Nelson Reichgott Novak Renneke Dicklich Kroening Kronebusch Olson Schmitz Diessner

So the bill passed and its title was agreed to.

S.F. No. 1563: A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger Dieterich Laidie Peterson, C.C. Solon Benson Frederickson Langseth Peterson, D.C. Spear Freeman Lantry Storm Berg Peterson, D.L. Berglin Hughes Lessard Peterson, R.W. Taylor Bernhagen Johnson, D.E. Luther Petty Ulland Bertram Johnson, D.J. Mehrkens Pogemiller Waldorf Chmielewski Jude Merriam Purfeerst Wegscheid Dahl Kamrath Moe, D. M. Ramstad Willet Davis Knaak Moe, R. D. Reichgott DeCramer Knutson Novak Renneke Dicklich Kroening Olson Schmitz Diessner Kronebusch Pehler Sieloff

So the bill passed and its title was agreed to.

S.F. No. 1235: A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Belanger	Diessner	Kroening	Nelson	Reichgott
Benson	Dieterich	Kronebusch	Novak	Renneke
Berg	Frederickson	Laidig	Olson	Schmitz
Berglin	Freeman	Langseth	Peterson, C.C.	Sieloff
Bernhagen	Hughes	Lantry	Peterson, D.C.	Solon
Bertram	Johnson, D.E.	Lessard	Peterson, D.L.	Spear
Chmielewski	Johnson, D.J.	Luther	Peterson, R. W.	Storm
Dahl	Jude	Mehrkens	Petty	Taylor
Davis	Kamrath	Merriam	Pogemiller	Ulĺand
DeCramer	Knaak	Moe, D. M.	Purfeerst	Waldorf
Dicklich	Knutson	Moe, R. D.	Ramstad	Wegscheid

So the bill passed and its title was agreed to.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Bernhagen introduced—

S.F. No. 1988: A bill for an act relating to Independent School District Number 465, Litchfield; use of proceeds of sale of a school building for capital outlay projects; requiring local approval.

Referred to the Committee on Education.

Messrs. Dahl; Schmitz; Johnson, D.J.; Spear and Ms. Reichgott introduced—

S.F. No. 1989: A bill for an act relating to traffic regulations; providing for access aisle with handicapped parking spaces; amending Minnesota Statutes 1983 Supplement, section 169.346, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Anderson and Bertram introduced-

S.F. No. 1990: A bill for an act relating to transportation; empowering the department of transportation to promulgate rules regulating insurance requirements of building movers; amending Minnesota Statutes 1983 Supplement, section 221.81, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 221.81, subdivision 3a.

Referred to the Committee on Transportation.

Messrs. Anderson, Schmitz and Isackson introduced-

S.F. No. 1991: A bill for an act relating to towns; changing provisions for the use of certain state-aid road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Referred to the Committee on Transportation.

Mr. Anderson introduced-

S.F. No. 1992: A bill for an act relating to state government; amending the definition of "socially or economically disadvantaged person" for purposes of the set-aside program; amending Minnesota Statutes 1983 Supplement, section 16.083, subdivision 4.

Referred to the Committee on Governmental Operations.

Ms. Olson, Messrs. Mehrkens, Sieloff and Belanger introduced-

S.F. No. 1993: A bill for an act relating to taxation; income; repealing the suspension of inflation adjustments; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2f.

Referred to the Committee on Taxes and Tax Laws.

Ms. Peterson, D.C. introduced-

S.F. No. 1994: A bill for an act relating to economic development; creating the Minnesota Manufacturing Growth Council; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Governmental Operations.

Ms. Peterson, D.C. introduced-

S.F. No. 1995: A bill for an act relating to municipal housing; letting of contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, section 462.461, subdivisions 1, 2, and 3.

Referred to the Committee on Energy and Housing.

Ms. Peterson, D.C. introduced—

S.F. No. 1996: A bill for an act relating to traffic regulations; requiring

school buses purchased after January 1, 1985, to have a seat belt for each permanent seat; amending Minnesota Statutes 1982, sections 169.44, subdivision 9; and 169.685, subdivision 1.

Referred to the Committee on Transportation.

Mr. Frederickson introduced—

S.F. No. 1997: A bill for an act relating to state government; concerning the administration of police and fire state aid.

Referred to the Committee on Governmental Operations.

Mr. Renneke introduced-

S.F. No. 1998: A bill for an act relating to education; requiring schools to display state flags; amending Minnesota Statutes 1982, section 126.14.

Referred to the Committee on Education.

Mr. Nelson introduced-

S.F. No. 1999: A bill for an act relating to regional planning; permitting school districts to participate in regional planning activities; authorizing counties to exercise regional planning powers where regional development commissions have been terminated; amending Minnesota Statutes 1982, sections 462.371; 462.39, by adding a subdivision; and 462.396, by adding a subdivision.

Referred to the Committee on Local and Urban Government.

Mr. Pogemiller introduced-

S.F. No. 2000: A bill for an act relating to landlords and tenants; requiring landlords of residential rental units to notify tenants of their rights and duties under state law; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 504.

Referred to the Committee on Judiciary.

Mr. Diessner introduced-

S.F. No. 2001: A bill for an act relating to health; requiring the commissioner to study and report to the legislature on wellness promotional efforts; amending Minnesota Statutes 1982, section 144.05, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced-

S.F. No. 2002: A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

Referred to the Committee on Health and Human Services.

Mr. Diessner introduced—

S.F. No. 2003: A bill for an act relating to state departments and agencies; providing for a study of expanding long-term care ombudsman responsibilities to include community-based care for persons 65 years of age or older.

Referred to the Committee on Health and Human Services.

Messrs. Peterson, C.C. and Spear introduced—

S.F. No. 2004: A bill for an act relating to retirement; including county attorneys and unclassified appointed employees in the state unclassified employees plan; transferring contributions; amending Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, C.C.; Frederickson; Renneke and Spear introduced-

S.F. No. 2005: A bill for an act relating to retirement; changing the early retirement reduction factor for judges; amending Minnesota Statutes 1982, section 490.124, subdivision 3.

Referred to the Committee on Governmental Operations.

Mr. Nelson introduced-

S.F. No. 2006: A bill for an act relating to education; increasing the probationary period for teachers to three years; making technical changes; amending Minnesota Statutes 1982, section 125.12, subdivision 3.

Referred to the Committee on Education.

Mr. Mehrkens introduced-

S.F. No. 2007: A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

Referred to the Committee on Judiciary.

Mr. Peterson, C.C. introduced-

S.F. No. 2008: A bill for an act relating to taxation; income; providing that certain social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson, D.E. introduced-

S.F. No. 2009: A bill for an act relating to state lands; conveying certain lands to the city of Melrose.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Willet introduced---

S.F. No. 2010: A bill for an act relating to Hubbard County; authorizing a

special levy for park and recreation purposes.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 2011: A bill for an act relating to the board of public defense; appropriating money.

Referred to the Committee on Finance.

Mr. Moe, D.M. introduced—

S.F. No. 2012: A bill for an act relating to retirement; allowing certain St. Paul bureau of health employees to revoke options previously exercised.

Referred to the Committee on Governmental Operations.

Messrs. Belanger and Taylor introduced-

S.F. No. 2013: A bill for an act relating to unemployment compensation; regulating benefit eligibility related to receipt of severance pay; amending Minnesota Statutes 1983 Supplement, section 268.08, subdivision 3.

Referred to the Committee on Employment.

Mr. Johnson, D.J. introduced-

S.F. No. 2014: A bill for an act relating to Lake County; authorizing the county to establish a loan program to forestall foreclosures of mortgages on residential and agricultural homesteads.

Referred to the Committee on Local and Urban Government.

Mr. Johnson, D.J. introduced-

S.F. No. 2015: A bill for an act relating to cities; providing that certain cities shall not be reclassified for purposes of the municipal state-aid street system; amending Minnesota Statutes 1982, section 162.09, subdivision 4.

Referred to the Committee on Transportation.

Mr. Wegscheid introduced-

S.F. No. 2016: A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; eliminating the requirement of publication after incorporation; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3;

62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 297.04, subdivision 3; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 325D.67, subdivisions 5 and 6; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.02; 333.0355, subdivision 1; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 365.46; 379.05; 507.10; 540.152; 543.08; Minnesota Statutes 1983 Supplement, sections 53.03, subdivisions 5 and 6; 300.083, subdivision 6; 302A.521, subdivision 6; 336.9-401; 507.09; and 648.39, subdivision 1; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Wegscheid, Schmitz, Mses. Reichgott and Olson introduced-

S.F. No. 2017: A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

Referred to the Committee on Local and Urban Government.

Mr. Chmielewski introduced-

S.F. No. 2018: A bill for an act relating to unemployment compensation; providing for an alternative method of determining credit weeks; raising the maximum contribution rate to eight percent except under certain circumstances; removing the contribution rate increase and decrease limitation; increasing an employer's experience ratio under certain circumstances; extending the emergency surcharge to repay interest on federal loans; tying the maximum weekly benefit amount to the balance in the unemployment compensation fund under certain circumstances; removing the limitation on the application of severance pay as it affects eligibility for benefits; changing certain conditions for requalifying for benefits; eliminating the split taxable wage base; amending Minnesota Statutes 1982, sections 268.04, subdivisions 24 and 30, and by adding a subdivision; 268.06, subdivision 8; 268.07, subdivision 2a; 268.071, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1983 Supplement, sections 268.06, subdivision 3a; 268.061, subdivisions 1 and 3; 268.07, subdivision 2; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; and 268.10, subdivision 2; repealing Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2.

Referred to the Committee on Employment.

Messrs. Dahl; Johnson, D.J.; Frank and Luther introduced—

S.F. No. 2019: A bill for an act relating to public utilities; providing for

payment charges on delinquent public utility billings; amending Minnesota Statutes 1982, section 222.75.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs, Dahl; Peterson, C.C. and Johnson, D.J. introduced—

S.F. No. 2020: A bill for an act relating to commerce; requiring motor vehicle manufacturers to reimburse vehicle owners for rental car expenses incurred under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Knutson introduced—

S.F. No. 2021: A bill for an act relating to taxation; income; adopting federal income tax limitations on charitable contributions; amending Minnesota Statutes 1983 Supplement, section 290.089.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced-

S.F. No. 2022: A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Waldorf introduced-

S.F. No. 2023: A bill for an act relating to the higher education coordinating board; granting temporary rulemaking authority for the supplemental student loan program.

Referred to the Committee on Education.

Messrs. Freeman and Knutson introduced-

S.F. No. 2024: A bill for an act relating to retirement; annuities of certain military affairs department personnel.

Referred to the Committee on Governmental Operations.

Mr. Knutson introduced-

S.F. No. 2025: A bill for an act relating to local government; authorizing county employees to make certain contracts; amending Minnesota Statutes 1982, section 382.18.

Referred to the Committee on Local and Urban Government.

Messrs. Nelson; Pehler; Hughes; Peterson, R.W. and Langseth introduced—

S.F. No. 2026: A bill for an act relating to education; providing for need assessments and planning grants for subject area in-service; extending the instructional effectiveness pilot program; providing regional services for instructional effectiveness; establishing three summer institutes for math and science; specifying summer institute application and selection procedures; requiring a study of methods for sharing public school facilities; establishing a grant program for research and development; requiring a study of teacher education programs; establishing a task force for school management; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 121.601; 121.608; and 121.609; proposing new law coded in Minnesota Statutes, chapter 121.

Referred to the Committee on Education.

Mr. Nelson introduced-

S.F. No. 2027: A bill for an act relating to taxation; providing an income tax credit for employers who invest in certain rehabilitation facilities and personnel; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pogemiller, Sieloff, Spear and Knaak introduced-

S.F. No. 2028: A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing new law coded as Minnesota Statutes, chapter 480B.

Referred to the Committee on Judiciary.

Messrs. Luther, Freeman, Mrs. Lantry, Messrs. Novak and Moe, D.M. introduced---

S.F. No. 2029: A bill for an act relating to state government; establishing the world trade center board and fixing its duties; transferring functions from the department of agriculture; amending Minnesota Statutes 1982, section 17.03, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 44A; repealing Minnesota Statutes 1983 Supplement, section 17.106.

Referred to the Committee on Governmental Operations.

Mr. Luther, Ms. Peterson, D.C.; Messrs. Knaak, Waldorf and Renneke introduced—

S.F. No. 2030: A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

Referred to the Committee on Health and Human Services.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m.,

Monday, March 26, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-SEVENTH DAY

St. Paul, Minnesota, Monday, March 26, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. M.E. Sandness.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Novak	Schmitz
Anderson	Dieterich	Kronebusch	Olson	Sieloff
Belanger	Frank	Laidig	Pehler	Solon
Benson	Frederick	Langseth	Peterson, C.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.C.	Storm
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Purfeerst	Wegscheid
Dahl	Jude	Merriam	Ramstad	Willet
Davis	Kamrath	Moe, D.M.	Reichgott	
DeCramer	Knaak	Moe, R.D.	Renneke	
Dicklich	Knutson	Nelson	Samuelson	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mrs. Brataas, Messrs. Johnson, D.E.; Peterson, R.W.; Taylor and Waldorf were excused from the Session of today.

REPORTS AND RESOLUTIONS FILED DURING THE INTERIM WITH THE SECRETARY OF THE SENATE

Various reports were filed during the 1983 interim by Retirement and Relief Associations and are filed in the office of the Secretary of the Senate; also reports made by the Legislative Audit Commission on various state institutions and boards; Department of Natural Resources, Division of Forestry, Continuing Education of Foresters in Minnesota, 1983; Department of Education, Unrequested Leave of Absence, 1983; Department of Employee Relations, Commissioner's Plan, 1983-85; Southwest Regional Development Commission, Annual Report, 1983; Southwest Regional Development Commission, Overall Work Program, 1984; Northwest Regional Development Commission, Annual Report, 1983; Board of Animal Health, Annual Report, 1982-83; Indian Affairs Intertribal Board, Indian Affairs Council,

Annual Report, 1983; Department of Health, Hospital Licensure Program. 1983; Board of Peace Officer Standards and Training, Allocation of Moneys for Peace Officer Training, 1983; Department of Education, Multi-county, Multi-type Library Cooperation Program; Department of Finance, Average Cost Funding Task Force, Interim Report, 1983; University of Minnesota. State University Board, Community College Board and the Vocational Education Board, Admission Requirements for Incoming Freshmen, 1983; Minnesota Zoological Garden, Annual Report, 1983; Department of Transportation, Rail Users Loan Guarantee Program, 1983; Department of Natural Resources, Report on Endangered Species; Minnesota Housing Finance Agency, Report on Municipal Housing Bond Programs, 1984; Department of Health, An Assessment of the Impact of the Moratorium on the Medical Assistance Certification of Nursing Home and Boarding Care Home Beds, 1984; Department of Education, Feasibility Program and Fiscal Impact of Draft Guidelines for Students with Specific Learning Disabilities and for Students with Emotional/Behavioral Disorders; Department of Administration, Management Study of the Regional and Subregional Structure of the Department of Natural Resources, 1984; Office of the Secretary of State, Open Appointments Act, Annual Report, 1984; Ethical Practices Board, Annual Report, 1983; Metropolitan Council, Annual Report, 1983; State Board of Investment, External Money Manager's Report, 1984; City of Richfield, Residential Energy Conservation Programs, 1984; Department of Education, Review and Comment Report on School Construction, 1984; University of Minnesota, Annual Report, 1983; Department of Education, Elementary and Secondary Education Section, Report on Technology and Educational Improvement, 1984; Department of Agriculture, Weather Modification Activities Report, 1983; Department of Education, Report on Minnesota Career Information System, 1984; Department of Administration, Annual Report, Small Business Procurement Act, 1983; Department of Administration, Management Analysis Division, Operational Analysis of the Department of Human Rights, 1984; Metropolitan Waste Control Commission, Program Budget, 1984; Metropolitan Transit Commission, 1984 Budget; Department of Health, Feasibility Study of a Statewide Pathology Based Cancer Surveillance System, 1982; Department of Health, An Overview of Birth Defects in Minnesota, 1950-80; Minnesota Community College System and Minnesota Vocational Technical Education System, Inter-System Cooperation Interim Report, 1984; Workers' Compensation Court of Appeals, Report on Standards Governing Payments, Peace Officer Benefit Fund. 1984; Department of Natural Resources, Off-Road Vehicle Use, 1984; Interagency Board for Quality Assurance, Progress Report, 1984; Department of Health and Department of Public Welfare, Minnesota 1982 Long-Term Care Plan, 1984; Legislative Study Commission on Metropolitan Transit, 1984; Department of Administration, Executive Council's Emergency Fund Expenditures, 1984; Joint Legislative Study Commission on the Utilization of Venipuncture, 1984; Department of Labor and Industry, Biennial Report, 1980-82; Department of Health, Certificate of Need Review in Minnesota, Past Effectiveness and Issues for the Future, 1984; Department of Human Rights, Status Report, 1984; Department of Human Rights, Charge Processing Policies, 1984; Department of Administration, Managing the Information Systems of State Government, 1983; Department of Employee Relations, Managerial Plan, 1983; Department of Public Safety, Bureau of Criminal Apprehension, 1984; Department of Public Safety, Port of Entry Study, 1983.

MESSAGES FROM THE HOUSE

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 404, 1381, 1486 and 1760.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 21, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 404: A bill for an act relating to taxation; increasing the deduction from gross income for amounts paid for dependent tuition, textbooks, and transportation expenses; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1381: A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

Referred to the Committee on Education.

H.F. No. 1486: A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1471, now on General Orders.

H.F. No. 1760: A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

Referred to the Committee on Agriculture and Natural Resources.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 18, delete "state"

- Page 2, line 23, delete "this law" and insert "section 3"
- Page 3, line 31, after the period, insert "MECC may purchase products and services developed by Minnesota educational institutions using resources of the institutions."
 - Page 4, line 7, after "Subd. 2." insert "[CLOSED MEETINGS.]"
 - Page 5, line 25, after "MECC" insert "to the state"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1733: A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 36, insert:

"Sec. 4. [REPEALER.]

Minnesota Statutes 1982, section 16.756, subdivision 5, is repealed."

Amend the title as follows:

Page 1, line 5, before the period, insert "; and repealing Minnesota Statutes 1982, section 16.756, subdivision 5"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1784: A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1331: A bill for an act relating to transportation; designating a bridge as the "Veterans Memorial Bridge"; amending Minnesota Statutes 1982, section 161.14, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was re-

ferred

H.F. No. 1491: A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1642: A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using the Intoxilizer 5000 for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of Intoxilizer 5000 breath tests to be admissible into evidence in civil and criminal hearings; authorizing the admission into evidence of certain weight record documents; amending Minnesota Statutes 1982, sections 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivision; 169.851, subdivision 4; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 17, insert:

- "Section 1. Minnesota Statutes 1982, section 169.01, is amended by adding a subdivision to read:
- Subd. 67. [INFRARED BREATH-TESTING INSTRUMENT.] "Infrared breath-testing instrument" means a breath-testing instrument that employs infrared technology and has been approved by the commissioner of public safety for determining alcohol concentration."
- Page 2, line 17, after "partial" delete the new language and insert "tests on an infrared breath-testing instrument. A result from a partial test is the measurement obtained by analyzing one adequate breath sample, as defined in section 4, paragraph (b)"
- Page 4, line 12, delete "INTOXILIZER 5000" and insert "AN INFRARED BREATH-TESTING INSTRUMENT"
- Page 4, line 13, delete "the Intoxilizer 5000" and insert "an infrared breath-testing instrument"
- Page 4, lines 17 and 18, delete "the Intoxilizer 5000" and insert "an infrared breath-testing instrument"
- Page 4, line 22, delete "the Intoxilizer 5000" and insert "an infrared breath-testing instrument"
 - Page 5, line 1, after the stricken language, insert "sample"

Pages 6 and 7, delete section 8

- Page 7, line 21, delete "INTOXILIZER 5000 TESTS" and insert "INFRARED BREATH-TESTS"
 - Page 7, line 23, delete "Intoxilizer 5000 test" and insert "infrared breath-

test"

- Page 7, lines 24 and 25, delete "administration of the Intoxilizer 5000 breath test" and insert "use of an infrared breath-testing instrument, as defined in section 1,"
- Page 7, line 28, delete "the Intoxilizer 5000" and insert "an infrared breath-testing instrument"
- Page 7, delete lines 31 to 33 and insert "Sections 1 to 9 are effective the day after final enactment and apply to trials or hearings commenced on or after the effective date."

Renumber the sections in sequence

Amend the title as follows:

- Page 1, lines 3 and 4, delete "the Intoxilizer 5000" and insert "an infrared breath-testing instrument"
- Page 1, line 6, delete "Intoxilizer 5000 breath tests" and insert "infrared breath-tests"
 - Page 1, line 8, delete everything after the semicolon
 - Page 1, line 9, delete everything before "amending"
- Page 1, line 10, after "sections" insert "169.01, by adding a subdivision;"
 - Page 1, line 12, delete "169.851, subdivision 4;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1519: A bill for an act relating to labor; regulating the payment of wages when employment is terminated; amending Minnesota Statutes 1982, sections 181.13; and 181.14.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [181.145] [PROMPT PAYMENT OF COMMISSIONS TO COMMISSION SALESPERSONS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "commission salesperson" means a person who is paid on the basis of commissions for sales and who is not covered by sections 181.13 and 181.14 because he or she is an independent contractor. For the purposes of this section, the phrase "commissions earned through the last day of employment" means commissions due for services or merchandise which have actually been delivered to and accepted by the customer by the final day of the salesperson's employment.

Subd. 2. [PROMPT PAYMENT REQUIRED.] (a) When any person,

firm, company, association, or corporation employing a commission salesperson residing in this state terminates the salesperson, or when the salesperson resigns his or her position, the employer shall promptly pay the salesperson, at the usual place of payment, his or her commissions earned through the last day of employment or be liable to the salesperson for the penalty provided under subdivision 3 in addition to any earned commissions.

- (b) If the employer terminates the salesperson or if the salesperson resigns giving at least five days written notice, the employer shall pay the salesperson's commissions earned through the last day of employment on demand no later than three working days after the salesperson's last day of work.
- (c) If the salesperson resigns without giving at least five days written notice, the employer shall pay the salesperson's commissions earned through the last day of employment on demand no later than six working days after the salesperson's last day of work.
- (d) Notwithstanding the provisions of paragraphs (b) and (c), if the terminated or resigning salesperson was, during his or her employment, entrusted with the collection, disbursement, or handling of money or property, the employer has ten working days after the termination of employment to audit and adjust the accounts of the salesperson before the salesperson can demand his or her commissions earned through the last day of employment. In such cases, the penalty provided in subdivision 3 shall apply only from the date of demand made after the expiration of the ten working day audit period.
- Subd. 3. [PENALTY FOR NON-PROMPT PAYMENT.] If the employer fails to pay the salesperson his or her commissions earned through the last day of employment on demand within the applicable period as provided under subdivision 2, the employer shall be liable to the salesperson, in addition to his or her earned commissions, for a penalty for each day, not exceeding 15 days, which the employer is late in making full payment or satisfactory settlement to the salesperson for the commissions earned through the last day of employment. The daily penalty shall be in an amount equal to one-fifteenth of the salesperson's commissions earned through the last day of employment which are unpaid.
- Subd. 4. [AMOUNT OF COMMISSION DISPUTED.] (a) When there is a dispute concerning the amount of the salesperson's commissions earned through the last day of employment or whether the employer has properly audited and adjusted the salesperson's account, the penalty provided in subdivision 3 shall not apply if the employer pays the amount it in good faith believes is owed the salesperson for commissions earned through the last day of employment within the applicable period as provided under subdivision 2; except that, if the dispute is later adjudicated and it is determined that the salesperson's commissions earned through the last day of employment were greater than the amount paid by the employer, the penalty provided in subdivision 3 shall apply.
- (b) If a dispute under this subdivision is later adjudicated and it is determined that the salesperson was not promptly paid commissions earned through the last day of employment as provided under subdivision 2, the employer shall pay reasonable attorney's fees incurred by the salesperson.
 - Subd. 5. [COMMISSIONS EARNED AFTER LAST DAY OF EM-

PLOYMENT.] Nothing in this section shall be construed to impair a commission salesperson from collecting commissions on merchandise ordered prior to the last day of employment but delivered and accepted after termination of employment. However, the penalties prescribed in subdivision 3 apply only with respect to the payment of commissions earned through the last day of employment."

Delete the title and insert:

"A bill for an act relating to labor; providing for the prompt payment of commissions to commission salespersons who leave or lose their job; providing civil penalties for non-prompt payment; proposing new law coded in Minnesota Statutes, chapter 181."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1495: A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4f.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4b, is amended to read:
- Subd. 4b. Prior to an employee's initial assignment to a workplace where the employee may be routinely exposed to a hazardous substance or harmful physical agent, the employer shall provide training concerning the hazardous substance or harmful physical agent. The employer shall provide additional instruction whenever the employee may be routinely exposed to any additional hazardous substance or harmful physical agent. The term "routinely exposed" includes the exposure of an employee to a hazardous substance when assigned to work in an area where a hazardous substance has been spilled.

For each hazardous substance to which the employee may be routinely exposed, the employer's training program shall include:

- (a) the name or names of the substance including any generic or chemical name, trade name, and commonly used name;
- (b) the level, if any and if known, at which exposure to the substance has been determined to be safe according to standards adopted by the commissioner, or, if no standard has been adopted, according to guidelines established by competent professional groups including but not limited to the American Industrial Hygiene Association, the American Conference of Governmental Industrial Hygienists, the Center for Disease Control, the Bureau of Radiological Health, and the American National Standards Institute;
 - (c) the known acute and chronic effects of exposure at hazardous levels:

- (d) the known symptoms of the effects;
- (e) any potential for flammability, explosion, or reactivity of the substance;
- (f) appropriate emergency treatment;
- (g) the known proper conditions for safe use of and exposure to the substance;
 - (h) procedures for cleanup of leaks and spills;
- (i) the name, phone number and address of the manufacturer of the hazardous substance; and
- (j) a written copy of all of the above information which shall be readily accessible in the area or areas in which the hazardous substance is used or handled.

Employees who have been routinely exposed to a hazardous substance prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that hazardous substance after the effective date of Laws 1983, chapter 316, shall be trained with respect to that hazardous substance within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

Every employer shall maintain current information for training under this subdivision or for information requests by employees under section 182.654, subdivision 10.

This subdivision does not apply to any employer engaged in a farming operation.

This subdivision does not apply to any small business.

Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.

- Sec. 2. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4c, is amended to read:
- Subd. 4c. For each harmful physical agent to which an employee may be routinely exposed, the employer's training program shall include the information required by the standard for that physical agent as determined by the commissioner, including but not limited to:
- (a) the name or names of the physical agent including any commonly used synonym;
- (b) the level, if any and if known, at which exposure to the physical agent has been determined to be safe according to standards adopted by the commissioner, or, if no standard has been adopted, according to guidelines established by competent professional groups including but not limited to the American Conference of Governmental Industrial Hygienists, the Center for Disease Control, the Bureau of Radiological Health, and the American National Standards Institute;
 - (c) the known acute and chronic effects of exposure at hazardous levels;

- (d) the known symptoms of the effects;
- (e) appropriate emergency treatment;
- (f) the known proper conditions for safe use of and exposure to the physical agent;
- (g) the name, phone number and address, if appropriate, of the manufacturer of the harmful physical agent; and
- (h) a written copy of all of the above information which shall be readily accessible in the area or areas in which the harmful physical agent is present and where the employee may be exposed to the agent through use, handling or otherwise.

Employees who have been routinely exposed to a harmful physical agent prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that harmful physical agent after the effective date of Laws 1983, chapter 316, shall be trained with respect to that harmful physical agent within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

Every employer shall maintain current information for training under this subdivision or for information requests by employees under section 182.654, subdivision 10.

This subdivision does not apply to any employer engaged in a farming operation.

Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.

- Sec. 3. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4f, is amended to read:
- Subd. 4f. Each employer who operates a hospital or clinic shall provide training according to a program developed by the commissioner by rule with approval of the commissioner of health to its employees who are routinely exposed to an infectious agent. The training shall include the information required by the rule for that agent as developed by the commissioner and shall include, if known, names of infectious agents to which the employee is routinely exposed, proper techniques for the employee to avoid self-contamination, and symptoms and effects of contamination. Training shall be provided upon the initial assignment of the employee to a job where that person will be routinely exposed to an infectious agent. Existing inservice, hospital licensure or certification programs which the commissioner determines substantially comply with the rules adopted pursuant to this subdivision may be certified by the commissioner to satisfy all or a part of the rules. "Infectious agent" means a communicable bacterium, rickettsia, parasites, virus, or fungus determined by the commissioner by rule, with approval of the commissioner of health, which according to documented medical or scientific evidence causes substantial acute or chronic illness or permanent disability as a forseeable and direct result of any routine exposure to the infectious agent. Infectious agent does not include an agent in or on the body of a

patient before diagnosis.

Infectious agent does not include an agent being developed or regularly utilized by a technically qualified individual in a research, medical research, medical diagnostic or medical educational laboratory or in a health care facility or in a clinic associated with a laboratory or health care facility, or in a pharmacy registered and licensed under chapter 151. The exemption in this clause does not include an infectious agent utilized in a laboratory that primarily provides a quality control analysis for a manufacturing process.

Employees who have been routinely exposed to an infectious agent prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that infectious agent after the effective date of Laws 1983, chapter 316, shall be trained with respect to that infectious agent within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 182.654, subdivision 11, is amended to read:
- Subd. 11. An employee acting in good faith has the right to refuse to work under conditions which the employee reasonably believes present an imminent danger of death or serious physical harm to the employee.

A reasonable belief of imminent danger of death or serious physical harm includes but is not limited to a reasonable belief of the employee that the employee has been assigned to work with a hazardous substance, harmful physical agent or infectious agent under conditions which are inconsistent with the training or information provided by the employer pursuant to section 182.653, subdivision 4b, clauses (g) or (h), section 182.653, subdivision 4c, clause (f), section 182.653, subdivision 4d, section 182.653, subdivision 4e, section 182.653, subdivision 4f, or section 182.654, subdivision 10.

An employer may not discriminate against an employee for a good faith refusal to perform assigned tasks if the employee has requested that the employer correct the hazardous conditions but the conditions remain uncorrected.

An employee who has refused in good faith to perform assigned tasks and who has not been reassigned to other tasks by the employer shall, in addition to retaining a right to continued employment, receive pay for the tasks which would have been performed if (1) the employee requests the commissioner to inspect and determine the nature of the hazardous condition, and (2) the commissioner determines that the employee, by performing the assigned tasks, would have been placed in imminent danger of death or serious physical harm; or (3) the employee requests the commissioner to inspect and determine if a hazardous condition exists, and (4) the commissioner determines that the employer has failed to provide the training required under section 182.653, subdivision 4b, 4c, 4d, 4e, or 4f prior to the employee's initial assignment to a workplace where the employee may be routinely exposed to

a hazardous substance or harmful physical agent and the employer has failed to provide the information required under section 182.653, subdivision 4b, 4c, 4d, 4e, or 4f after a request pursuant to section 182.654, subdivision 10 within a reasonable period of time, but not to exceed 24 hours, of the request.

Nothing in this subdivision shall give a technically qualified individual who elects to participate in the training required under section 182.653, subdivisions 4b, 4c, or 4f, the right to refuse to work as provided under this subdivision because his or her employer has failed to provide a training program required under those subdivisions."

Amend the title as follows:

- Page 1, line 5, delete "subdivision" and insert "subdivisions 4b, 4c, and"
- Page 1, line 5, before the period insert "; and 182.654, subdivision 11"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,
- S.F. No. 1224: A bill for an act relating to transportation; establishing a railroad passenger service study commission to study the feasibility and potential of expanded railroad passenger service within the state.

Reports the same back with the recommendation that the report from the Committee on Transportation, shown in the Journal for March 19, 1984, be amended to read:

- "the bill be amended and when so amended the bill do pass and be rereferred to the Committee on Finance". Amendments adopted. Report adopted.
- Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:
- S.F. Nos. 1854, 1857, 1868, 1881, 1887, 1904, 1912, 1937 and 1975 reports the same back with the recommendation that the bills be re-referred as follows:
 - S.F. Nos. 1854, 1857 and 1912 to the Committee on Transportation.
 - S.F. Nos. 1868 and 1904 to the Committee on Governmental Operations.
- S.F. Nos. 1881 and 1887 to the Committee on Agriculture and Natural Resources.
 - S.F. No. 1937 to the Committee on Education.
- S.F. No. 1975 to the Committee on Economic Development and Commerce.

Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1334: A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1435: A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 24, after the first "the" insert "first, continuous" and delete "farm to the"
- Page 1, line 25, delete the new language and insert "place of production or on farm storage site to any other location within 50 miles of the place of the production or on farm storage site"

And when so amended the bill do pass. Amendments adopted, Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1699: A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, 5, and 6; 221.071, subdivision 1; 221.121, subdivisions 1 and 5; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, delete "vehicles" and insert "a school bus"

Page 5, after line 28, insert:

"(c) The requirements as to driver qualifications and maximum hours of service for drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under chapter 308; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) who are engaged in the transportation of

construction materials, tools and equipment from shop to job site or job site to job site, for use by the private carrier in the new construction, remodeling, or repair of buildings, structures or their appurtenances."

Page 5, line 29, delete "(c)" and insert "(d)"

Page 6, delete section 9

Page 6, after line 29, insert:

"The vehicle identification rule of the commissioner may not be more stringent than the marking requirements imposed on private carriers by the United States department of transportation under 49 C.F.R., section 397.21, clauses (b) and (c)."

Pages 8 to 11, delete sections 12 and 13

Page 12, after line 22, insert:

"Sec. 13. Minnesota Statutes 1983 Supplement, section 221.131, subdivision 1, is amended to read:

Subdivision 1. [PERMIT RENEWAL.] Permits issued under section 221.121 are effective for a 12-month period. Each permit must be renewed annually and each permit holder shall have one annual renewal date encompassing all of the permits held by him. Except as provided in section 221.185, the board shall consider a petition for reinstatement of a revoked or suspended permit upon the same procedure required for an initial petition."

Page 14, line 35, delete everything after the period

Page 14, delete line 36

Page 15, delete lines 1 and 2

Page 17, line 31, delete "28" and insert "26"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "5,"

Page 1, line 9, delete "221.071, subdivision 1;" and delete "subdivisions

Page 1, line 10, delete the first "and" and insert "subdivision"

Page 1, line 10, after the semicolon, insert "221.131, subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1759: A bill for an act relating to motor vehicles; extending the period during which automobile registration taxes may be paid; amending Minnesota Statutes 1982, section 168.31, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 168.09, subdivision 2, is amended to read:
- Subd. 2. When a motor vehicle registered in Minnesota, has during the calendar year for which it is so registered, been re-registered for the following year, the display on such motor vehicle of the plates issued for such motor vehicle on its re-registration for the following year shall on and after November 15 of the calendar year in which it was so re-registered constitute compliance with subdivision 1 requiring display of plates except as provided in subdivision subdivisions 3 and 4.
- Sec. 2. Minnesota Statutes 1982, section 168.09, subdivision 3, is amended to read:
- Subd. 3. Plates or other insignia issued for a motor vehicle registered under the provisions of section 168.187 for a calendar year shall be displayed on the motor vehicle not later than 12:01 a.m. on March 2 of the year unless extended by the registrar for the period of time required for the issuance of the new plates or insignia. Plates or other insignia issued for a self-propelled motor vehicle registered for over 27,000 pounds except a motor vehicle registered under the provision of sections 168.017 and 168.187 shall be displayed on the vehicle not later than 12:01 a.m. on March 2 of the year, nor earlier than 12:01 a.m. on February 15 of the year, unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia. Plates or other insignia issued for a self-propelled vehicle registered for 27,000 pounds or less and all other motor vehicles except those registered under the provisions of section 168.017 or 168.187 shall be displayed not later than 12:01 a.m. on March 2 of the year, and not earlier than November 15 January 1 of the preceding year unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia. The commissioner of public safety shall register all motor vehicles with the exception of those registered under sections 168.017 or 168.187 for a period of 14 months for the registration year 1978 to implement the provisions of this subdivision. The registration year for all vehicles as provided in this section shall be from March 1 to the last day of February for 1979 and succeeding years.
- Sec. 3. Minnesota Statutes 1982, section 168.10, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] Except as provided in subdivisions 1a, 1b, 1c, 1d and 1g, every owner of any motor vehicle in this state, not exempted by section 168.012 or 168.26, shall as soon as ownership of a motor vehicle is acquired and annually thereafter during the period November 15 to March 1 following, both dates inclusive provided in section 168.31, file with the commissioner of public safety on a blank provided by him a listing for taxation and application for the registration of such vehicle, stating the first, middle and last names, the dates of birth, and addresses of all owners thereof who are natural persons, the full names and addresses of all other owners, the name and address of the person from whom purchased, make of motor vehicle, year and number of the model, manufacturer's identification number or serial number, type of body, the weight of the vehicle in pounds, for trailers only, its rated load carrying capacity and for buses only, its seating capacity,

and such other information as the commissioner may require. Any false statement wilfully and knowingly made in regard thereto shall be deemed perjury and punished accordingly. The listing and application for registration by dealers or manufacturers' agents within the state, of motor vehicles received for sale or use within the state shall be accepted as compliance with the requirements of this chapter, imposed upon the manufacturer.

Registration shall be refused a motor vehicle if the original identification or serial number has been destroyed, removed, altered, covered or defaced. However, if the commissioner is satisfied on the sworn statements of the owner or owners or such other persons as he may deem advisable that the applicant is the legal owner, a special identification number in the form prescribed by the commissioner shall be assigned to the motor vehicle. When it has been determined that the number had been affixed to such vehicle in a manner prescribed by the commissioner, the vehicle may thereafter be registered in the same manner as other motor vehicles. In the case of a new or rebuilt motor vehicle manufactured or assembled without an identification or serial number, the commissioner may assign an identification number to the motor vehicle in the same manner as prescribed heretofore.

Sec. 4. Minnesota Statutes 1982, section 168.31, subdivision 1, is amended to read:

Subdivision 1. [TIME PAYABLE.] The tax required under this chapter to be paid upon a motor vehicle for each calendar year becomes due when the vehicle first uses the public streets or highways in the state, and upon January 1 each year thereafter, except those vehicles which are taxed under section 168.017 and vehicles registered under 168.09, subdivision 3. Taxes due upon January 1 become payable upon November 15 preceding the calendar year for which they are assessed except those upon motor vehicles which shall first use the public streets and highways of this state between November 15 and the next following December 31. The tax required to register vehicles for the registration year March 1 to the last day of February is due on March 1 and payable November 15 January 1 preceding. The tax that becomes due January 1 next following upon those motor vehicles becomes payable at the time the tax for the current year becomes payable. Taxes due upon January 1 become delinquent after January 10 unless paid. Taxes due when the vehicle first uses the public streets or highways in the state shall become delinquent upon the expiration of seven days after the tax became due unless paid. The tax required to register vehicles under the provisions of section 168.017 is due the first day of the month commencing the 12 month registration period and payable during the 45 90 days preceding the due date.

Sec. 5. [REPEALER.]

Minnesota Statutes 1982, section 168.31, subdivision 3, is repealed."

Delete the title and insert:

"A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982,

section 168.31, subdivision 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1529: A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1743: A bill for an act relating to the city of Hibbing; fixing the term of the mayor.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1558: A bill for an act relating to sheriffs; authorizing the removal of certain deputies and employees at pleasure; amending Minnesota Statutes 1982, section 387.14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, delete "or other law to the contrary"

And when so amended the bill be re-referred to the Committee on Veterans and General Legislation without recommendation. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1835: A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, strike "spray with" and insert "apply"

Page 2, line 1, after the period, insert "The commission shall give reasonable notification to the governing body of the local unit of government prior to applying insecticides outside of the district on land located within the jurisdiction of the local unit of government."

And when so amended the bill do pass. Amendments adopted. Report

adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1581: A bill for an act relating to crimes; traffic regulations; requiring revocation of a person's driver's license until his or her 19th birthday upon violation of a traffic law relating to the possession or consumption of alcohol; amending Minnesota Statutes 1982, sections 169.121, subdivision 4; 169.122, subdivision 4; 169.123, subdivision 4; 171.16, subdivision 5; and 171.17; Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3, is amended to read:
- Subd. 3. [CRIMINAL PENALTIES.] A person who violates this section or an ordinance in conformity with it is guilty of a misdemeanor.

The following persons are guilty of a gross misdemeanor:

- (a) a person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.129, or an ordinance or statute from another state in conformity with it; and
- (b) a person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.129, or an ordinance or statute from another state in conformity with it; and
- (c) a person who violates this section or an ordinance in conformity with it within five years of a prior juvenile adjudication under this section, section 169.129, or an ordinance or statute from another state in conformity with either of them.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

- Sec. 2. Minnesota Statutes 1982, section 169.121, subdivision 4, is amended to read:
- Subd. 4. [PENALTIES.] A person convicted of violating this section shall have his driver's license or operating privileges revoked by the commissioner of public safety as follows:
 - (a) First offense: not less than 30 days;
- (b) Second offense in less than five years: not less than 90 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;
- (c) Third offense in less than five years: not less than one year, together with denial under section 171.04, clause (8), until rehabilitation is estab-

lished in accordance with standards established by the commissioner;

(d) Fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner.

If the person convicted of violating this section is under the age of 19 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges until the offender reaches the age of 19 years or for the appropriate period of time under clauses (a) to (d) for the offense committed, whichever is greater.

Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

Any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is not subject to the mandatory revocation provisions of clause (a) or (b).

- Sec. 3. Minnesota Statutes 1982, section 169.122, subdivision 4, is amended to read:
- Subd. 4. Whoever violates the provisions of subdivisions 1 to 3 is guilty of a misdemeanor. Any person under the age of 19 years convicted of violating this section shall have his or her driver's license or operating privileges revoked by the commissioner of public safety for a period of six months or until he or she reaches the age of 19 years, whichever is greater.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:
- Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST. (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was offered.
- (b) At the time a chemical test specimen is requested, the person shall be informed:
- (1) that if testing is refused, the person's right to drive will be revoked for a minimum period of six months or, if the person is under the age of 19 years, for a period of six months or until he or she reaches the age of 19 years,

whichever is greater;

- (2) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a minimum period of 90 days or, if the person is under the age of 19 years, for a period of six months or until he or she reaches the age of 19 years, whichever is greater;
- (3) that if a test is taken by a person under the age of 19 years and the results indicate an alcohol concentration of more than 0.05, the person's right to drive will be revoked for a period of six months or until he or she reaches the age of 19 years, whichever is greater;
- (3)(4) that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test;
- (4)(5) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing; and
- (5)(6) that if he refuses to take a test, the refusal will be offered into evidence against him at trial.
- Sec. 5. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:
- Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit chemical testing, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months. If the person refusing to submit to chemical testing is under the age of 19 years, the commissioner shall revoke the person's license or permit to drive, or his or her nonresident operating privilege, for a period of six months or until the person reaches the age of 19 years, whichever is greater.

Except as otherwise provided in this subdivision, upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating

privilege, for a period of 90 days. Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, that the person submitted to chemical testing and that the following conditions exist, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months or until the person reaches the age of 19 years, whichever is greater:

- (1) the person was under the age of 19 years at the time of the testing; and
- (2) the test results indicate an alcohol concentration of more than 0.05.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

- Sec. 6. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:
- Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer offering a chemical test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation: (a) on a person who refuses to permit chemical testing; or (b) on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more; or (c) on a person who is under 19 years of age who submits to a chemical test the results of which indicate an alcohol concentration of more than 0.05. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6, is amended to read:
- Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.

The scope of the hearing shall be limited to the issues of:

(1) whether the peace officer had reasonable and probable grounds to be-

lieve the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of 0.10 or more; and

- (2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and
- (3) either (a) whether the person refused to permit the test; or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing; or (c) whether a test was taken by a person under the age of 19 years and the test results indicate an alcohol concentration of more than 0.05; and whether the testing method used was valid and reliable; and whether the test results were accurately evaluated.

It shall be an affirmative defense for the petitioner to prove that, at the time of the refusal, his refusal to permit the test was based upon reasonable grounds.

Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing. If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

- Sec. 8. Minnesota Statutes 1982, section 171.16, subdivision 5, is amended to read:
- Subd. 5. [JUVENILE COURT.] When any judge of a juvenile court, or any of its duly authorized agents, shall determine formally or informally that any person under the age of 18 years has violated any of the provisions of any law of this state, or ordinances of political subdivisions thereof, regulating the operation of motor vehicles on streets and highways, except parking violations, and except traffic offenses involving a violation of section 169.121 or 169.122, such judge, or duly authorized agent, shall immediately report such determination to the department and may recommend the suspension of the driver's license of such person, and the commissioner is hereby authorized to suspend such license, without a hearing.
 - Sec. 9. Minnesota Statutes 1982, section 171.17, is amended to read:

171.17 [REVOCATION.]

The department shall forthwith revoke the license of any driver upon receiving a record of such driver's conviction of any of the following offenses:

(1) Manslaughter or criminal negligence resulting from the operating of a

motor vehicle;

- (2) Any violation of section 169.121;
- (3) Any felony in the commission of which a motor vehicle was used;
- (4) Failure to stop and disclose identity and render aid, as required under the laws of this state, in the event of a motor vehicle accident resulting in the death or personal injury of another;
- (5) Perjury or the making of a false affidavit or statement to the department under any law relating to the ownership or operation of a motor vehicle;
- (6) Except as this section otherwise provides, conviction, plea of guilty, or forfeiture of bail not vacated, upon three charges of violating, within a period of 12 months any of the provisions of chapter 169, or of the rules, regulations, or municipal ordinances enacted in conformance therewith for which the accused may be punished upon conviction by imprisonment;
- (7) Conviction of an offense in another state which, if committed in this state, would be grounds for the revocation of the driver's license;
- (8) Any violation of section 169.122, if the driver is under the age of 19 years.

When any judge of a juvenile court, or any of its duly authorized agents, shall determine, formally or informally, that any person under the age of 18 years has committed any offense defined in this section, such judge, or duly authorized agent, shall immediately report such determination to the department, and the commissioner shall immediately revoke the license of that person.

Upon revoking the license of any person, as hereinbefore in this chapter authorized, the department shall immediately notify the licensee, in writing, by depositing in the United States post office a notice addressed to the licensee at his last known address, with postage prepaid thereon.

- Sec. 10. Minnesota Statutes 1982, section 260.121, subdivision 3, is amended to read:
- Subd. 3. Except When a child under the age of 16 years is alleged to have committed a minor traffic offense, as defined in section 260.193, subdivision 1, elause (e), if and it appears at any stage of the proceeding that a the child before the court is a resident of another state, the court may invoke the provisions of the interstate compact on juveniles or, if it is in the best interests of the child or the public to do so, the court may place the child in the custody of his parent, guardian, or custodian, if the parent, guardian, or custodian agree to accept custody of the child and return him to their state.
- Sec. 11. Minnesota Statutes 1982, section 260.193, subdivision 1, is amended to read:

Subdivision 1. (a) For purposes of this section, the following terms have the meanings given them.

- (b) "Major traffic offense" includes any violation of a state or local traffic law, ordinance, or regulation, or a federal, state, or local water traffic law not included within the provisions of clause (c).
 - (e) "Minor traffic offense" means a violation of a state or local traffic law,

ordinance, or regulation, or a federal, state, or local water traffic law constituting an offense punishable only by fine of not more than \$100.

- Sec. 12. Minnesota Statutes 1982, section 260.193, subdivision 2, is amended to read:
- Subd. 2. A child under the age of 16 years who commits a major traffic offense shall be adjudicated a "juvenile highway traffic offender" or a "juvenile water traffic offender," as the case may be, and shall not be adjudicated delinquent, unless, as in the case of any other child alleged to be delinquent, a petition is filed in the manner provided in section 260.131, summons issued, notice given, a hearing held, and the court finds as a further fact that the child is also delinquent within the meaning and purpose of the laws relating to juvenile courts.
- Sec. 13. Minnesota Statutes 1982, section 260.193, subdivision 3, is amended to read:
- Subd. 3. Except as provided in subdivision 4, A child who commits a minor traffic offense and at the time of the offense was at least 16 years old shall be subject to the laws and court procedures controlling adult traffic violators and shall not be under the jurisdiction of the juvenile court. When a child is alleged to have committed a minor traffic offense and is at least 16 years old at the time of the offense, the peace officer making the charge shall follow the arrest procedures prescribed in section 169.91 and shall make reasonable effort to notify the child's parent or guardian of the nature of the charge.

Any child who is charged with or convicted of a traffic offense and who was at least 16 years old at the time of the offense may be confined only as permitted by section 636.07, subdivision 2.

- Sec. 14. Minnesota Statutes 1982, section 260.193, subdivision 4, is amended to read:
- Subd. 4. The juvenile court shall have original jurisdiction if the child who was at least 16 years old at the time of the offense is alleged to have committed both major and minor a traffic offenses offense and a nontraffic offense in the same behavioral incident. If the county attorney dismisses the nontraffic offense, the child shall be subject to the laws and court proceedings controlling adult traffic offenders and shall not be under the jurisdiction of the juvenile court.
- Sec. 15. Minnesota Statutes 1982, section 260.193, subdivision 5, is amended to read:
- Subd. 5. When a child under the age of 16 years is alleged to have committed a major traffic offense, the peace officer making the charge shall file a signed copy of the notice to appear, as provided in section 169.91, with the juvenile court of the county in which the violation occurred, and the notice to appear has the effect of a petition and gives the juvenile court jurisdiction. Filing with the court a notice to appear containing the name and address of the child under the age of 16 years allegedly committing a major traffic offense and specifying the offense charged, the time and place of the alleged violation shall have the effect of a petition and give the juvenile court jurisdiction. Any reputable person having knowledge of a child under the age of 16 years who commits a major traffic offense may petition the juvenile court

in the manner provided in section 260.131. Whenever a notice to appear or petition is filed alleging that a child under the age of 16 years is a juvenile highway traffic offender or a juvenile water traffic offender, the court shall summon and notify the persons required to be summoned or notified as provided in sections 260.135 and 260.141. However, it is not necessary to (1) notify more than one parent, or (2) publish any notice, or (3) personally serve outside the state.

- Sec. 16. Minnesota Statutes 1983 Supplement, section 260.193, subdivision 6, is amended to read:
- Subd. 6. Before making a disposition of any child found to be a juvenile major traffic offender, the court shall obtain from the department of public safety information of any previous traffic violation by this juvenile. In the case of a juvenile water traffic offender, he shall obtain from the office where the information is now or hereafter may be kept information of any previous water traffic violation by the juvenile.
- Sec. 17. Minnesota Statutes 1982, section 260.193, subdivision 7, is amended to read:
- Subd. 7. If after a hearing the court finds that the welfare of a juvenile major traffic offender or a juvenile water traffic offender or the public safety would be better served under the laws controlling adult traffic violators, the court may transfer the case to any court of competent jurisdiction presided over by a salaried judge if there is one in the county. The juvenile court transfers the case by forwarding to the appropriate court the documents in the court's file together with an order to transfer. The court to which the case is transferred shall proceed with the case as if the jurisdiction of the juvenile court had never attached.
- Sec. 18. Minnesota Statutes 1982, section 260.193, subdivision 8, is amended to read:
- Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:
 - (a) Reprimand the child and counsel with the child and his parents;
- (b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;
- (c) Require the child to attend a driver improvement school if one is available within the county;
- (d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;
- (e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until he reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of can-

cellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned to him reinstated, and the commissioner of public safety is authorized to return the license reinstate the privileges;

- (f) Place the child under the supervision of a probation officer in his own home under conditions prescribed by the court including reasonable rules relating to his operation and use of motor vehicles or boats directed to the correction of his driving habits;
- (g) Require the child to pay a fine of up to \$500. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child.
- Sec. 19. Minnesota Statutes 1982, section 260.193, is amended by adding a subdivision to read:
- Subd. 11. [INCARCERATION EXPENSES.] The county in which the offense occurred shall pay any county home school or detention facility costs associated with the detention of any child under the age of 18 years where the detention is due to a traffic offense.
- Sec. 20. Minnesota Statutes 1982, section 340.035, subdivision 1, is amended to read:

Subdivision 1. It is unlawful for any:

- (1) Licensee or his employee to permit any person under the age of 19 years to consume non-intoxicating malt liquor on the licensed premises except as provided in paragraph (5);
- (2) Person other than the parent or legal guardian to procure non-intoxicating malt liquor for any person under the age of 19 years;
- (3) Person to induce a person under the age of 19 years to purchase or procure non-intoxicating malt liquor;
- (4) Person under the age of 19 years to misrepresent his age for the purpose of obtaining non-intoxicating malt liquor;
- (5) Person under the age of 19 years to consume any non-intoxicating malt liquor unless in the company of his parent or guardian;
- (6) Person under the age of 19 years to consume or possess with intent to consume any non-intoxicating malt liquor, with intent to consume it at a place other than the household of his parent or guardian.
 - Sec. 21. Minnesota Statutes 1982, section 636.07, is amended to read:

636.07 [CARE AND CUSTODY OF MINORS.]

Subdivision 1. [GENERALLY.] Every sheriff or other person having charge of a minor under the age of 18 years, chargeable with any crime, shall provide a separate place of confinement for him, and under no circumstances place him with grown-up prisoners. Every minor while in confinement shall be provided with good reading matter, and his relatives and friends likely to exert a good influence over him shall at all reasonable times be permitted to visit him.

Subd. 2. [MINOR TRAFFIC OFFENDERS.] A minor who is alleged to

have committed a traffic offense and who is subject to the laws and court procedures controlling adult traffic offenders pursuant to section 260.193, subdivision 3, may be detained prior to trial only in a secure detention facility as defined in section 260.015, subdivision 16, and only if pretrial detention is otherwise authorized by statute or rule.

A minor who is convicted of a traffic offense under the laws and court procedures controlling adult traffic offenders and who is sentenced to incarceration may be confined only in a county home school or a facility maintained or licensed by the commissioner of corrections for the detention or disposition of juveniles.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 21 are effective August 1, 1984, and apply to offenses committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; requiring driver's license revocation of any person under the age of 19 upon violation of a traffic law relating to possession or consumption of alcohol and if found driving a motor vehicle while under the influence of an alcohol concentration of more than 0.05; providing for enhanced penalties for adults convicted of driving while under the influence of alcohol or a controlled substance if there are prior similar iuvenile adjudications; providing for adjudication by the municipal or county court of certain juvenile traffic offenses; prohibiting persons under 19 years of age from consuming or possessing, with intent to consume, nonintoxicating malt liquor at a place other than his parent's or guardian's household; imposing penalties; amending Minnesota Statutes 1982, sections 169.121, subdivision 4; 169.122, subdivision 4; 169.123, subdivisions 4 and 5a; 171.16, subdivision 5; 171.17; 260.121, subdivision 3; 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8, and by adding a subdivision; 340.035, subdivision 1; and 636.07; and Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 3; 169.123, sudivisions 2 and 6; and 260.193, subdivision 6."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

H.F. No. 1485: A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 1620: A bill for an act relating to housing; creating a demonstration program for temporary housing in the department of economic security; limiting the scope of the temporary housing program in the housing finance

agency; appropriating money; amending Minnesota Statutes 1982, section 462A.05, subdivision 20; proposing new law coded in Minnesota Statutes, chapter 268.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 9, insert:

"Subd. 10. [RULES.] The commissioner may adopt rules necessary to implement this section without complying with the requirements of chapter 14.

Subd. 11. [PROGRAM COORDINATION.] The commissioner and the executive director of the housing finance agency shall cooperate in the design and implementation of the temporary housing demonstration program."

Page 4, line 10, delete "10" and insert "12"

Page 4, line 31, before "a" insert "less than"

Page 5, after line 1, insert:

"Sec. 3. [REPORT.]

By March 15, 1985, the housing finance agency shall report to the legislature on the temporary housing demonstration program."

Page 5, line 10, delete "This"

Page 5, delete line 11

Page 5, line 13, delete "3" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "limiting" and insert "clarifying" and delete "scope" and insert "definition"

Page 1, line 5, after the semicolon, insert "requiring a report to the legislature;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 1295: A bill for an act relating to housing; authorizing the Minnesota housing finance agency to establish and maintain an assisted rental program for residential housing; appropriating money; amending Minnesota Statutes 1982, sections 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 462A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 462A.05, is amended by adding a subdivision to read:

- Subd. 24. [LOANS TO SPONSORS OF RESIDENTIAL HOUSING.] The agency may make or participate in the making of loans to sponsors in conjunction with the construction or substantial rehabilitation of multi-unit residential housing for rental occupancy by persons and families of low and moderate income. The proceeds of the loans must be used to reduce rent payments that would otherwise be payable by persons and families of low and moderate income. The loans may be insured or uninsured, with or without interest, and repayable over a period of time as the agency deems advisable, not to exceed 30 years. In making loans the agency shall determine the appropriate security for the repayment of the loan. The loans may only be in addition to, in combination with, and subordinate to long-term mortgage loans made by the agency. The loan funds may be disbursed to sponsors in a single installment or periodic installments by the agency or its designated agent. To provide for the long-term affordability of all or a portion of the housing to persons and families of low and moderate income, the agency may defer payments of principal and interest on the loans for a period of time as the agency deems advisable. No loan may be made unless the agency determines that the loan will make all or a portion of the housing more affordable for persons and families of low and moderate income. The agency may enter into agreements with sponsors of multi-unit residential housing for rental occupancy to evidence its commitment to make or participate in making the loans. Agreements entered into by the agency must contain terms and provisions as the agency deems advisable, including but not limited to, terms and provisions (a) that obligate the sponsor to make available all or a portion of the housing to persons and families of low and moderate income; (b) that grant the agency the right to terminate the agreement if the sponsor commits a breach of the agreement; or (c) that grant the agency the right to declare the unpaid principal and accrued interest on loans immediately due and payable upon a breach of the agreement by the sponsor.
- Sec. 2. Minnesota Statutes 1982, section 462A.21, is amended by adding a subdivision to read:
- Subd. 13. [LOANS TO SPONSORS OF RESIDENTIAL HOUSING.] It may make or participate in the making of loans under section 1 to sponsors of multi-unit residential housing for rental occupancy by persons and families of low and moderate income.

Sec. 3. [APPROPRIATION.]

The sum of \$..... is appropriated from the general fund to the housing development fund for loans to sponsors of residential housing.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective July 1, 1984."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "and"

Page 1, line 7, delete everything after "subdivision"

Page 1, line 8, delete everything before the period

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1523: A bill for an act relating to energy; prohibiting public utilities from establishing large volume contract service rates; amending Minnesota Statutes 1982, section 216B.07.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

. "Section 1. Minnesota Statutes 1982, section 216B.16, is amended by adding a subdivision to read:

Subd. 6c. [LARGE VOLUME CONTRACTS.] If the commission allows a public utility to establish a special rate schedule for large volume contract services for sales of natural gas, the commission shall not allow the utility to retroactively or prospectively allocate the resulting unrecovered costs to any class of ratepayers of which the large volume contract service customer is not a member.

Sec. 2. [EFFECTIVE DATE.]

Section I is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to energy; prohibiting public utilities from recovering revenues lost under large volume contracts from certain ratepayers; amending Minnesota Statutes 1982, section 216B.16, by adding a subdivision."

And when so amended the bill do pass and be re-referred to the Committee on Public Utilities and State Regulated Industries. Amendments adopted. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1508: A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, section 327C.07, subdivisions 3a and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 327C.02, subdivision 5, is amended to read:
- Subd. 5. [WRITTEN NOTICE REQUIRED.] The following notice printed verbatim in boldface type of a minimum size of ten points must be given to a prospective resident before he or she is asked to sign a rental agreement. The

notice and the safety feature disclosure form required under section 327C.07, subdivision 3a, must be posted in a conspicuous and public location in the park:

"IMPORTANT NOTICE

State law provides special rules for the owners and residents of manufactured home parks.

You may keep your home in the park as long as the park is in operation and you meet your financial obligations, obey state and local laws which apply to the park, obey reasonable park rules, do not substantially annoy or endanger the other residents or substantially endanger park personnel and do not substantially damage the park premises. You may not be evicted or have your rent increased or your services cut for complaining to the park owner or to a governmental official.

If you receive an eviction notice and do not leave the park, the park owner may take you to court. If you lose in court a sheriff may remove you and your home from the park within seven days. Or, the court may require you to leave the park within seven days but give you 60 days to sell the home within the park.

All park rules and policies must be reasonable. Your rent may not be increased more than twice a year. Changes made in park rules after you become a park resident will not apply to you if they substantially change your original agreement.

The park may not charge you an entrance fee.

The park may require a security deposit, but the deposit must not amount to more than two months rent.

You have a right to sell the home in the park. But the sale is not final until the park owner approves the buyer as a new resident, and you must advise in writing anyone who wants to buy your home that the sale is subject to final approval by the park owner. You must also disclose in writing certain safety information about your home to anyone who wants to buy it in the park. You must give this information to the buyer before the sale, in writing, on the form that is attached to this notice. You must completely and accurately fill out the form and you and the buyer should each keep a copy.

Your rental agreement and the park rules contain important information about your rights and duties. Read them carefully and keep a copy.

For further information concerning your rights, consult a private attorney. The state law governing the rental of lots in manufactured home parks may also be enforced by the Minnesota Attorney General."

In addition, the safety feature disclosure form required under section 327C.07, subdivision 3a, must be attached to the notice."

Page 5, line 15, after "Minnesota" strike "and" and insert ". Within 30 days following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install"

Page 6, line 3, after the period, insert "This subdivision does not impose

any duty or obligation upon a broker, dealer, lender, or park owner to monitor completion of any repairs required, nor does it impose liability on any broker, dealer, lender, or park owner for any injury or claim of whatever nature, which may arise as a result of the failure of the buyer of the home to comply with the home safety features required herein."

Page 6, lines 7 and 8, delete "the day following final enactment" and insert "August 1, 1984"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 327C.02, subdivision 5; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 1526: A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "under" and insert "from the" and delete "law" and insert "government"

Page 1, line 17, after "for" insert "state"

Page 1, line 19, delete everything after the period

Page 1, delete lines 20 and 21

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1982, section 3.351, is amended by adding a subdivision to read:

Subd. 2b. [REVIEW OF PLANS TO SPEND FEDERAL ENERGY MONEY.] When the governor or a state agency is eligible to receive money from the federal government for energy programs, the governor or the agency shall submit the plan for expenditure of the money to the commission for review and comment prior to or concurrent with submission of the plan to the federal government. In the case of money resulting from litigation or settlements of alleged violations of federal petroleum pricing regulations, the plan must be submitted to the commission for review and comment prior to submission to the federal government, provided that if the commission fails to review and comment within 30 days, the plan may be submitted without commission review. The commission shall review the plans for consistency with the policy statement prepared under subdivision 2a. If the governor or the agency is required to submit a request to spend the money to the legisla-

tive advisory commission under section 3.3005, the commission shall forward its comments to the legislative advisory commission for consideration during its preparation of a recommendation."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1655: A bill for an act relating to public safety; providing for use of a portion of the proceeds of the tobacco tax; amending Minnesota Statutes 1982, section 297.13, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 7, after "education" insert "including reimbursement for programs conducted from January 1, 1982 to June 30, 1984"
 - Page 2, line 7, delete "14" and insert "10"
 - Page 2, line 11, delete "34" and insert "38"
- Page 2, line 13, before the period, insert ", including tactical field training"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 1823: A bill for an act relating to county humane societies; allowing for an increase in the appropriation a county may give to a county humane society in any year; amending Minnesota Statutes 1982, section 343.11.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 1643: A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 1864: A bill for an act relating to administrative procedure; providing for a hearing procedure on certain proposed rules; providing an ex-

emption from the contested case procedures; encouraging the use of negotiated rulemaking; regulating certain incorporations by reference; providing for the adoption of the rule after the hearing; requiring certain information to be contained in a notice to adopt a rule without a public hearing; authorizing interested persons to request a public hearing under certain circumstances; providing for notice of the modification of certain proposed rules; establishing a procedure for the adoption of emergency rules; providing for the expiration of authority for temporary rulemaking; providing for the legal status of certain exempt rules; requiring agencies to maintain official rulemaking records; providing for the judicial determination of the validity of a rule; making various technical changes; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.12; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; and 14.21.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 32, delete "Sec." and insert "Section"

Pages 2 and 3, delete section 2

Page 5, after line 2, insert:

"Sec. 4. Minnesota Statutes 1983 Supplement, section 14.08, is amended to read:

14.08 [REVISOR OF STATUTE'S APPROVAL OF RULE FORM.]

- (a) For the purpose of obtaining the revisor's certificate of approval of the form of a rule prior to filing the rule with the secretary of state, Two copies of the a rule adopted pursuant to the provisions of section 14.26 or 14.32 shall be submitted by the agency to the attorney general. The attorney general shall send one copy of the rule to the revisor on the same day as it is submitted by the agency to the attorney general as required by sections 14.16, under section 14.26, and or 14.32. Within five days after receipt of the rule, excluding weekends and holidays, the revisor shall either return the rule with a certificate of approval of the form of the rule to the attorney general or notify the attorney general and the agency that the form of the rule will not be approved.
- (b) If the attorney general disapproves the a rule, the agency may modify it—After the chief hearing examiner's review, if any, and the agency shall submit two copies of the modified rule to the attorney general who shall send a copy to the revisor for approval as to form as described in this paragraph (a).
- (b) One copy of a rule adopted after a public hearing shall be submitted by the agency to the revisor for approval of the form of the rule. Within five working days after receipt of the rule, the revisor shall either return the rule with a certificate of approval to the agency or notify the agency that the form of the rule will not be approved.
- (c) If the revisor refuses to approve the form of any rules the rule, the revisor's notice to the agency and the attorney general shall indicate the rea-

son for the refusal and specify the modifications necessary so the form of the rules rule will be approved.

Sec. 5. Minnesota Statutes 1982, section 14.10, is amended to read:

14.10 [SOLICITATION OF OUTSIDE INFORMATION.].

When an agency seeks to obtain information or opinions in preparing to propose the adoption, amendment, suspension, or repeal of a rule from sources outside of the agency, the agency shall publish notice of its action in the state register and shall afford all interested persons an opportunity to submit data or views on the subject of concern in writing or orally. Such notice and any written material received by the agency shall become a part of the hearing rulemaking record to be submitted to the attorney general or hearing examiner under section 14.16 sections 14.14, 14.26, or 14.32."

Page 5, after line 13, insert:

"Sec. 7. [14,131] [STATEMENT OF NEED AND REASONABLE-NESS.]

Subdivision 1. [CONTENT OF STATEMENT.] Before the agency orders the publication of a rulemaking notice required by section 14.14, subdivision 1a, the agency must prepare, review, and make available for public review a statement of the need for and reasonableness of the rule. The statement of need and reasonableness must be prepared under rules adopted by the chief hearing examiner.

Sec. 8. Minnesota Statutes 1983 Supplement, section 14.14, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED HEARING.] Except as otherwise provided in chapter 14, no rule may be adopted by any agency unless the agency first holds When a public hearing is required under section 14.25 or when an agency decides to proceed directly to a public hearing, the agency shall proceed under the provisions of sections 14.14 to 14.20 and hold a public hearing affording all affected interests an opportunity to participate."

Page 6, line 18, before "FILING" insert "CHIEF HEARING EXAM-INER:"

Page 6, strike lines 25 to 29

Page 6, line 30, strike the period, and before "If" insert:

"Subdivision 1. [REVIEW OF MODIFICATIONS.] If the report of the hearing examiner finds no defects, the agency may proceed to adopt the rule. After receipt of the hearing examiner's report, if the agency makes any modifications to the rule other than those recommended by the hearing examiner, it must return the rule to the chief hearing examiner for a review on the issue of substantial change."

Page 7, reinstate line 1

Page 7, line 2, reinstate the stricken "to be informed that the" and after the stricken "record" insert "rule" and reinstate "has been"

Page 7, line 3, after the stricken "general" insert "adopted and filed with the secretary of state" and reinstate the rest of the line

Page 7, line 4, reinstate the stricken "that the" and after the stricken "submitted" insert "rule is filed" and reinstate the stricken period

Page 7, after line 4, insert:

"Subd. 2. [CORRECTION OF DEFECTS.] If the chief hearing examiner approves the hearing examiner's finding of a defect and advises the agency of actions which will correct the defect pursuant to subdivision 3 of section 14.15, the agency must either withdraw the rule or make the modifications required. The agency shall then resubmit the rule to the chief hearing examiner for a determination as to whether the defects have been corrected."

Page 7, line 5, before "After" insert "Subd. 3. [FILING.]"

Page 7, line 8, delete "file" and insert "filed"

Page 10, line 2, after the second comma, insert "and determine whether the agency has the authority to adopt the rule and whether the record supports the need for and reasonableness of the proposed rule"

Page 10, line 7, after "reasons" insert "and make recommendations to overcome the deficiencies"

Page 10, line 9, after "published" insert "until the deficiencies have been overcome"

Page 12, line 20, strike "five" and insert "ten"

Page 15, delete lines 15 and 16 and insert:

"No agency may adopt an emergency or temporary rule pursuant to any temporary rulemaking authority granted in a statute enacted prior to March I, 1984, later than 180"

Page 15, line 17, delete "day" and insert "date"

Page 15, line 22, after "Statutes" insert "1984"

Page 15, after line 22, insert:

"The revisor of statutes shall change the term "hearing examiner" or similar terms to "administrative law judge" or similar terms and the term "chief hearing examiner" or similar terms to "chief administrative law judge" or similar terms wherever those terms appear in Minnesota Statutes 1984 with reference to personnel of the office of administrative hearings."

Page 15, line 28, delete "27" and insert "30"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 18

Page 1, line 19, delete everything before the semicolon and insert "relating to state government; amending the administrative procedure act; establishing an optional negotiated rulemaking procedure; allowing interested persons to respond after a public hearing; removing a requirement that the attorney general review the hearing examiner's hearing report; providing that rules will be adopted without a public hearing unless 25 persons object; providing for notification that rules were modified after proposal; restricting the adop-

tion of temporary rules; providing that exempt rules are not effective unless submitted to the revisor of statutes; providing that judicial review of rules is by the court of appeals with appeal to the supreme court"

Page 1, line 20, before "14.14," insert "14.10;"

Page 1, line 24, after the first semicolon, insert "14.08;" and after "14.12;" insert "14.14, subdivision 1;"

Page 1, line 29, after the semicolon, insert "14.17;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1659: A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1654: A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1490: A bill for an act relating to alcoholic beverages; restricting hours of sale on statewide election days; amending Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1768: A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after "fuel" insert "which purchases the gas from a public utility"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- H.F. No. 977: A bill for an act relating to liquor; authorizing the city of Farmington to issue a club on-sale license to an Eagles Club.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, after "Notwithstanding" insert "the period of existence required by section 340.11, subdivision 11, or"

Page 1, after line 12, insert:

"Sec. 2. [FARMINGTON CLUB; GAMBLING AND BINGO LICENSE.]

Notwithstanding the period of existence required by sections 349.14 and 349.26, subdivision 9, the city of Farmington may issue a license under chapter 349 to an Eagles Club located within the city. All other provisions of chapter 349 not inconsistent with this section apply to the license."

Page 1, line 14, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "liquor" and insert "private clubs"

Page 1, line 3, after "on-sale" insert "liquor"

Page 1, line 3, after "license" insert "and a license to conduct bingo and gambling"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1640: A bill for an act relating to hazardous waste management; indemnifying persons liable under the environmental response and liability act; requiring operators to demonstrate financial responsibility; creating a state liability trust fund; imposing a disposal surcharge; appropriating money; proposing new law coded in Minnesota Statutes, chapter 115A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [115A.301] [INDEMNIFICATION FOR CERTAIN DAMAGES ARISING FROM DISPOSAL FACILITY.]

Subdivision 1. [INDEMNIFICATION BY OPERATOR; EXCEPTIONS.] (a) As a condition of obtaining an agency permit and except as provided in paragraph (b), the operator of a hazardous waste disposal facility established under sections 115A.18 to 115A.30, upon the acceptance of any hazardous waste for disposal, shall agree to indemnify any other person for any liability

the person may have under chapter 115B as a result of a release or threatened release of hazardous waste from the disposal facility to the extent of the financial responsibility requirement established in subdivision 2.

- (b) The operator is not required to indemnify any person for liability to the extent that:
- (1) the liability is the result of a violation by that person of state or federal law that governs the handling, transportation, or disposal of hazardous substances;
- (2) the liability is the result of a negligent act or omission of that person with respect to the handling, transportation, or disposal of hazardous substances: or
- (3) the liability is one for which a claim has been or may be paid by the Federal Post-Closure Liability Fund under 42 United States Code, Section 9607(k).

The operator is not required to indemnify any person for any claim filed more than 30 years after closure of the disposal facility in accordance with agency rules.

- (c) The operator may intervene as of right in any action that may result in a claim for indemnification under this subdivision.
- Subd. 2. [FINANCIAL RESPONSIBILITY.] (a) As a condition of obtaining a permit to operate a hazardous waste disposal facility established under sections 115A.18 to 115A.30, the operator shall demonstrate financial responsibility to pay claims of liability for personal injury, economic loss, response costs, and natural resources damage that the operator may incur as a result of a release or threatened release of a hazardous waste from the facility, including liability for which the operator is required to indemnify other persons under subdivision 1. The amount of the operator's financial responsibility must be at least \$40,000,000.
- (b) The agency may require a higher level of financial responsibility as a condition of a permit for a disposal facility depending upon the size of the facility, the location of the facility, the types of waste that will be accepted at the facility, and other factors affecting the risk of a release and potential liability. The operator may demonstrate financial responsibility by any mechanism approved by the agency's hazardous waste rules. The operator shall maintain financial responsibility as provided in this subdivision during operation of the facility and until 30 years after facility closure in accordance with agency rules, provided that the operator shall maintain financial responsibility after 30 years in the amount and for the time necessary to satisfy any outstanding claims filed within 30 years after facility closure.
- Subd. 3. [LIABILITY TRUST FUND.] (a) A state facility liability trust fund is established as an account in the state treasury. Money in the fund shall be held in trust by the state to pay claims of liability resulting from the release or threatened release of hazardous waste from a disposal facility established under sections 115A.18 to 115A.30, and to purchase insurance to pay the claims. Subject to the limitations provided in paragraph (b), the fund and insurance purchased by the fund shall pay claims to the extent that the claims are not satisfied by the operator of the facility under subdivision 1 by the

Federal Post-Closure Liability Fund under 42 United States Code, Section 9607(k), and by any person, including the operator, who is liable for the claim as a result of violation of a state or federal law or a negligent act or omission.

- (b) The state is not obligated to pay any claims in excess of the amount of money in the fund and the limits of any insurance purchased by the fund.
 - (c) Interest earned by the money in the fund must be credited to the fund.
- Subd. 4. [DETERMINATION OF AMOUNTS IN FUND.] The board shall determine the amount of money that will be needed in the state facility liability trust fund to maintain insurance coverage of at least \$10,000,000 during the operating life of the facility and to accumulate a balance of at least \$10,000,000 within 20 years after the facility begins operation. The board may require insurance coverage and accumulation of a fund balance in amounts greater than those provided in this subdivision based upon the factors that the agency must consider in establishing the level of financial responsibility under subdivision 2 and the amount of claims for which the fund is likely to be liable under subdivision 3. Based on the amounts required to purchase insurance and accumulate the fund balance, the board shall establish a surcharge amount to be collected under subdivision 5. The board may adjust the amount of the surcharge based on the actual quantities of waste received at the facility. Determinations by the board under this subdivision are subject to the rulemaking provisions of chapter 14.
- Subd. 5. [DISPOSAL SURCHARGE.] A surcharge must be paid for every ton or part of a ton of hazardous waste accepted for disposal at a facility. The operator shall collect and hold the surcharge in a separate account. By the first day of each month, the operator shall pay any money in this account to the commissioner of finance to credit to the state facility liability trust fund.
- Subd. 6. [ADMINISTRATION.] (a) The commissioner of finance shall administer the state facility liability trust fund. Money in the fund is appropriated to the commissioner of finance for expenditure as provided in subdivision 3. The commissioner shall establish separate accounts in the fund for purchase of insurance and for accumulation of a fund balance as required by the board under subdivision 4. After closure of the facility in accordance with agency rules, the commissioner shall consolidate the two accounts and may use any interest income from the fund to purchase insurance to pay claims for which the fund may be liable.
- (b) The commissioner, in consultation with the attorney general, may settle any claims that the fund may be required to pay. If two or more claims are made against the fund, the amount of which would exceed the amount in the fund, the commissioner shall pay any valid claims on a pro rata basis. The commissioner, on behalf of the fund, may intervene as of right in an action that may result in a claim against the fund."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
 - S.F. No. 1722: A bill for an act relating to agriculture; requiring agricul-

tural land preservation planning and official controls outside of the metropolitan area; establishing agricultural land preservation and conservation awareness and assistance programs; allowing valuation of agricultural land on the basis of productivity and net earning capacity; creating a legislative commission on agricultural land preservation and conservation; authorizing a special levy; creating a cost-sharing account in the state treasury; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 30, delete "designated in"
- Page 2, line 31, delete everything before the period and insert "created under section 10"
 - Page 3, line 14, delete "at least" and insert "not more than"
 - Page 3, line 15, after "area" insert "that request"
- Page 3, line 17, delete "The" and insert "If possible," and delete "must" and insert "shall"
- Page 4, lines 2 and 23, after the period, insert "The department shall notify the county of its determination."
 - Page 4, lines 3 and 23, delete "they" and insert "the plan and controls"
 - Page 4, line 8, delete "in the state"
 - Page 4, delete lines 26 to 36, and insert:
- "Subd. 2. [NONMETROPOLITAN CITY.] A city that is located partially within a county in the metropolitan area but is not included in the definition of the metropolitan area may elect to be governed by this section. The city may:
- (1) request the county outside of the metropolitan area where it is partially located to include the city in the agricultural land preservation plan and official controls of the county, using the joint planning board process under section 462.3585; or
 - (2) perform the duties of a county independently under this section.
- If the city does not elect to be governed by this section, the city shall perform the duties of an authority under chapter 473H."
 - Page 5, delete lines 27 to 30 and insert:
- "(1) designation of land suitable for long-term agricultural use and the creation of exclusive agricultural use zones, allowing for conditional, compatible uses that do not conflict with long-term agricultural use;"
 - Page 6, delete lines 4 to 14, and insert:
- "If a county or a municipality in the county disputes the determination of the department relating to the elements under section 5, the county or municipality may request that the department initiate a contested case proceeding under chapter 14 within 30 days after receiving the determination. In addition, ten or more eligible voters of the county who own real estate within

the county may request a contested case proceeding. The department shall initiate the proceeding within 30 days after receiving the request. Judicial review of the contested case decision is as provided in chapter 14."

Pages 6 and 7, delete section 8

Page 7, line 16, delete "40A.09" and insert "40A.08"

Pages 7 and 8, delete section 10 and insert:

"Sec. 9. [40A.09] [EXCLUSIVE AGRICULTURAL USE ZONE; ELI-GIBILITY.]

An owner or owners of land that has been designated for exclusive long term agricultural use under a plan submitted to or approved by the department under section 3 or 4 is eligible to apply for the creation of an exclusive agricultural use zone. Eligibility continues unless the department determines that the plan and official controls do not address the elements contained in section 5 or unless the county fails to implement the plan and official controls as required by sections 3 and 4.

Sec. 10. [40A.10] [APPLICATION FOR CREATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]

Subdivision 1. [CONTENTS.] An eligible person may apply to the county in which the land is located for the creation of an exclusive agricultural use zone on forms provided by the department. In case a zone is located in more than one county, the application must be submitted to the county in which the majority of the land is located. The application must contain at least the following information and other information the department requires:

- (a) Legal description of the area to be designated and parcel identification numbers where designated by the county auditor;
 - (b) Name and address of the owner;
- (c) A witnessed signature of the owner covenanting that the land will be kept in exclusive agricultural use and will be used in accordance with the provisions of sections 9 to 15 that exist on the date of application; and
- (d) A statement that the restrictive covenant will be binding on the owner or the owner's successor or assignee, and will run with the land.

In the case of registered property, the owner shall submit the owners duplicate certificate of title along with the application.

- Subd. 2. [REVIEW AND NOTICE.] Upon receipt of an application, the county shall determine if all material required by subdivision 1 has been submitted and, if so, shall determine that the application is complete. The county shall send a copy of the application to the regional development commission, where applicable, and the soil and water conservation district where the land is located. The district shall prepare an advisory statement of existing and potential conservation problems in the zone. The district shall send the statement to the owner of record and to the department.
- Subd. 3. [RECORDING.] Within five days of the date of application, the county shall forward the application to the county recorder, together with the owner's duplicate certificate of title in the case of registered property. The county recorder shall record the restrictive covenant and return it to the ap-

- plicant. In the case of registered property, the recorder shall memorialize the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title. The recorder shall notify the county that the covenant has been recorded or memorialized.
- Subd. 4. [COMMENCEMENT OF EXCLUSIVE AGRICULTURAL USE ZONE.] The land is an exclusive agricultural use zone and subject to the benefits and restrictions of sections 9 to 15 commencing 30 days from the date the county determines the application is complete under subdivision 1.
- Subd. 5. [FEE.] The county may require an application fee, not to exceed \$50.
- Sec. 11. [40A.11] [DURATION OF EXCLUSIVE AGRICULTURAL USE ZONE.]
- Subdivision 1. [GENERAL.] An exclusive agricultural use zone continues in existence until either the owner or the county initiates expiration as provided in this section. The date of expiration by the owner or the county must be at least eight years from the date of notice under this section.
- Subd. 2. [TERMINATION BY OWNER.] The owner may initiate expiration of an exclusive agricultural use zone by notifying the county on a form prepared by the department and available in each county. The notice must describe the property involved and must state the date of expiration. The notice may be rescinded by the owner during the first two years following notice.
- Subd. 3. [TERMINATION BY COUNTY.] The county may initiate expiration of the exclusive agricultural use zone by notifying the owner by registered mail on a form provided by the department, provided that before notification the following conditions are met:
- (a) The agricultural land preservation plan and official controls have been amended so that the land is no longer designated for long term agricultural use; and
- (b) The department has reviewed and approved the amended plan and official controls for consistency with the guidelines contained in section 5. The notice must describe the property involved and must state the date of expiration.
- Subd. 4. [NOTICE AND RECORDING; TERMINATION.] When the county receives notice under subdivision 2 or serves notice under subdivision 3, the county shall forward the original notice to the county recorder for recording and shall notify the regional development commission and the county soil and water conservation district of the date of expiration. Designation as an exclusive agricultural use zone and the benefits and limitations contained in sections 9 to 15 and the restrictive covenant filed with the application cease on the date of expiration. In the case of registered property, the county recorder shall cancel the restrictive covenant upon the certificate of title and the owner's duplicate certificate of title on the effective date of the expiration.
- Subd. 5. [EARLY EXPIRATION.] An exclusive agricultural use zone may be terminated earlier than as provided in this section only in the event of a public emergency upon petition from the owner or county to the governor.

The determination of a public emergency must be made by the governor through executive order under section 4.035 and chapter 12. The executive order must identify the exclusive agricultural use zone, the reasons requiring the action, and the date of expiration.

Sec. 12. [40A.12] [CERTAIN ASSESSMENTS PROHIBITED; EXCEPTION.]

Notwithstanding any law to the contrary, land in an exclusive agricultural use zone may not be assessed for construction projects for nonfarm public sanitary sewer systems, nonfarm public water systems, or nonfarm drainage systems. If the owner of land in a zone elects to use and benefit from a public project, this limitation does not apply and the land is subject to the regular assessment."

Page 8, line 2, delete "40A.11" and insert "40A.13"

Pages 8 and 9, delete section 12 and insert:

"Sec. 14. [40A.14] [SOIL CONSERVATION PRACTICES.]

Subdivision 1. [CONSERVATION PRACTICES TO PREVENT SOIL LOSS REQUIRED.] An owner of agricultural land in an exclusive agricultural use zone shall manage the land with sound soil conservation practices that prevent excessive soil loss. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States soil conservation service field office technical guide or if the soil loss is greater than the soil loss allowed in an ordinance of the county. A sound soil conservation practice prevents excessive soil loss or reduces soil loss to the most practicable extent. The county shall enforce this subdivision.

- Subd. 2. [COMPLAINT.] An elected local government official or district board member from the affected jurisdiction may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.
- Subd. 3. [DISTRICT DETERMINATION OF SOIL LOSS.] (a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.
- (b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each tract of land and if that soil loss exceeds the amounts allowed in subdivision 1. If the soil loss is excessive the report must include the existing management and soil conservation practices and alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.
- (c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must

be notified of the time of the inspections and be given an opportunity to be present when the inspection is made.

- Subd. 4. [COUNTY BOARD INSPECTION; RESOLUTION.] (a) Upon receipt of the complaint and district report from the county attorney the county board may make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.
- (b) If the county board determines that the land is managed properly the complaint must be dismissed. If the county board determines that the land is not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or submit a completed application for cost-sharing funds; and require that the practices or measures must be completed within one year after cost-sharing funds are available, or two years after receiving the resolution, whichever is later. The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.
- Subd. 5. [DISTRICT ASSISTANCE.] At the request of a landowner receiving a resolution under subdivision 4, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in subdivision 1 or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.
- Subd. 6. [CIVIL PENALTY.] A landowner who fails to commence or complete actions required in the county board resolution or obstructs inspections is subject to a civil penalty up to \$1,000. The county attorney shall bring the action. This civil penalty is not an exclusive penalty. Other action allowed by law may be brought to enforce this section."

Page 9, line 18, delete "40A.13" and insert "40A.15"

Page 10, line 10, delete "3" and insert "4"

Page 10, line 20, delete "40A.14" and insert "40A.16"

Page 11, line 25, delete "40A.15" and insert "40A.17"

Page 12, line 17, delete "and water"

Page 12, line 18, delete "12" and insert "14"

Page 13, line 10, delete "40A.16" and insert "40A.18"

Page 13, line 18, delete "40A.17" and insert "40A.19"

Page 13, line 23, delete "40A.18" and insert "40A.20"

Page 14, line 21, delete "appraise" and insert "analyze"

Page 14, line 36, delete "40A.19" and insert "40A.21"

Page 15, line 5, delete "14" and insert "16"

Page 15, line 26, delete "20" and insert "22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "providing for the creation of exclusive agricultural use zones;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1740: A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving compressed gases; proposing new law coded in Minnesota Statutes, chapter 299F.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2, is amended to read:

Subd. 2. [GENERAL IMMUNITY FROM LIABILITY.] Any person, including a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, and volunteer first provider of emergency medical services, who, without compensation or the expectation of compensation renders emergency care, advice, or assistance at the scene of an emergency or during transit to a location where professional medical care can be rendered, is not liable for any civil damages as a result of acts or omissions by that person in rendering the emergency care, advice, or assistance unless that person acts in a willful and wanton or reckless manner in providing the care, advice or assistance. Any person rendering emergency care, advice, or assistance during the course of regular employment, and receiving compensation or expecting to receive compensation for rendering such care, advice, or assistance, shall be excluded from the protection of this section.

For the purposes of this section, the scene of an emergency shall be those areas not within the confines of a hospital or other institution which has hospital facilities, or an office of a person licensed to practice one or more of the healing arts pursuant to chapters 147, 148, 150A, or 153. The scene of an emergency includes areas threatened by or exposed to spillage, seepage, fire, explosion, or other release of hazardous materials.

For the purposes of this section, "person" includes a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, volunteer first provider of emergency medical services, and any partnership, corporation, association, or other entity.

For the purposes of this section, compensation does not include nominal payments, reimbursement for expenses, or pension benefits."

Amend the title as follows:

Page 1, line 4, delete "compressed gases" and insert "hazardous materi-

als"

Page 1, delete lines 5 and 6 and insert "amending Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1351: A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1576: A bill for an act relating to military justice; modifying the appeal of court-martial proceedings; clarifying when a military judge may issue search warrants; amending Minnesota Statutes 1982, sections 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1330: A bill for an act relating to landlords and tenants; providing for recovery by the tenant from the landlord of damages and attorney's fees for unlawful ouster or exclusion; proposing new law coded in Minnesota Statutes, chapter 504.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "intentionally" and insert "in bad faith"

Page 1, line 13, delete "lands or tenements" and insert "a residential premises"

Page 1, line 17, delete "is effective the day following final enactment"

Page 1, line 18, delete "and" and delete "suits" and insert "causes of action"

Page 1, line 18, delete "that date" and insert "August 1, 1984"

Amend the title as follows:

Page 1, line 4, before the semicolon, insert "from residential premises"

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1733, 1784, 1331, 1642, 1519, 1495, 1334, 1435, 1699, 1759,

1529, 1743, 1835, 1581, 1508, 1526, 1823, 1864, 1659, 1654, 1490, 1768, 1740, 1351, 1576 and 1330 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1491, 1485 and 977 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Ulland moved that the name of Mr. Solon be added as a co-author to S.F. No. 1235. The motion prevailed.

Mr. Lessard moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 1433. The motion prevailed.

Mr. Waldorf moved that the names of Messrs. DeCramer and Storm be added as co-authors to S.F. No. 1498. The motion prevailed.

Mrs. McQuaid moved that the names of Messrs. Laidig, Jude and Schmitz be added as co-authors to S.F. No. 1717. The motion prevailed.

Mr. Dicklich moved that his name be stricken as a co-author to S.F. No. 1841. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1944. The motion prevailed.

Mr. Belanger moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 2013. The motion prevailed.

Mr. Waldorf moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2023. The motion prevailed.

Mr. Peterson, D.L. moved that S.F. No. 1897 be withdrawn from the Committee on Finance and returned to its author. The motion prevailed.

Mr. Storm introduced-

Senate Resolution No. 86: A Senate resolution congratulating the swimming and diving team from Edina High School for winning the 1984 Boys State High School Swimming and Diving Championship.

Referred to the Committee on Rules and Administration.

Mr. Samuelson introduced-

Senate Resolution No. 87: A Senate resolution congratulating the Flyers girls basketball team from Little Falls High School for winning the 1984 Class AA Girls State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mr. Anderson introduced—

Senate Resolution No. 88: A Senate resolution congratulating the wrestling team from Staples High School for winning the 1984 Class A State High School Wrestling Championship.

Referred to the Committee on Rules and Administration.

Messrs. Freeman and Belanger introduced-

Senate Resolution No. 89: A Senate resolution congratulating the Eagles hockey team from Bloomington-Kennedy High School for winning second place in the 1984 State High School Hockey Championship.

Referred to the Committee on Rules and Administration.

Messrs. Knaak, Dahl and Laidig introduced—

Senate Resolution No. 90: A Senate resolution congratulating the Bears from White Bear Area Senior High School for winning the 1984 Class AA Boys State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

CONSENT CALENDAR

S.F. No. 1562: A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, D. M.	Samuelson
Anderson	Diessner	Knutson	Moe, R. D.	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Laidig	Peterson, D.C.	Spear
Berglin	Frederickson	Langseth	Peterson, D. L.	Storm
Bernhagen	Freeman	Lantry	Petty	Stumpf
Bertram	Hughes	Lessard	Pogemiller	Ulland
Chmielewski	lsackson	Luther	Purfeerst	Vega
Dahl	Johnson, D.J.	McQuaid	Ramstad	Wegscheid
Davis	Jude	Mehrkens	Reichgott	Willet
DeCramer	Kamrath	Merriam	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 1350: A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Belanger Benson Berg Berglin Bernhagen Bertram Chmielewski Dahl Davis	Dicklich Diessner Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.J. Jude	Knaak Knutson Kroening Kronebusch Laidig Langseth Lantry Lessard Luther McQuaid Mehrkens	Moe, D. M. Moe, R. D. Nelson Olson Pehler Peterson, D. C. Peterson, D. L. Petty Pogemiller Purfeerst Ramstad	Renneke Samuelson Schmitz Sieloff Solon Spear Storm Stumpf Ulland Vega Wegscheid
DeCramer	Kamrath	Merriam	Reichgott	Willet

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

S.F. Nos. 1127, 1139, 1433, 1506 and 1757, which the committee recommends to pass.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Moe, D.M.; Ms. Berglin and Mr. Spear introduced-

S.F. No. 2031: A bill for an act relating to the human rights department; appropriating money to the commissioner of human rights to hire temporary staff.

Referred to the Committee on Governmental Operations.

Messrs. Peterson, C.C.; Johnson, D.J.; Mrs. Adkins, Mr. Benson and Mrs. Kronebusch introduced—

S.F. No. 2032: A bill for an act relating to local government; providing for the distribution of certain federal payments in lieu of property taxes; proposing new law coded in Minnesota Statutes, chapter 471.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Berg and Bernhagen introduced-

S.F. No. 2033: A bill for an act relating to taxation; income; providing a credit for the cost of certain conservation tillage farm equipment; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs, Bertram and Johnson, D.E. introduced-

S.F. No. 2034: A bill for an act relating to crimes; regulating public dances; amending Minnesota Statutes 1982, section 624.50.

Referred to the Committee on Veterans and General Legislation.

Mr. Mehrkens introduced-

S.F. No. 2035: A bill for an act relating to game and fish; reducing the nonresident raccoon license fee and eliminating the commissioner's authority to limit the number taken; amending Minnesota Statutes 1982, section 98.46, subdivisions 14 and 26.

Referred to the Committee on Agriculture and Natural Resources.

Mses. Reichgott; Peterson, D.C.; Messrs. Petty, Knaak and Kamrath introduced—

S.F. No. 2036: A bill for an act relating to commitment; defining provisional discharge; prohibiting the provisional release of a mentally ill and dangerous patient from secure confinement; amending Minnesota Statutes 1982, sections 253B.02, by adding a subdivision; and 253B.18, subdivision 7.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced-

S.F. No. 2037: A bill for an act relating to parks; providing for the conveyance of certain land for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1982, section 84B.03, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Johnson, D.J. introduced-

S.F. No. 2038: A bill for an act relating to public utilities; requiring certain utility pole guy lines to be marked with reflector tape; proposing new law coded in Minnesota Statutes, chapter 237.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Moe, D.M. introduced-

S.F. No. 2039: A bill for an act relating to state monuments; adding the Roy Wilkins State Monument to the list of state monuments; appropriating money; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Referred to the Committee on Veterans and General Legislation.

Messrs, Jude, Knaak and Ms. Reichgott introduced-

S.F. No. 2040: A bill for an act relating to statutes; conforming various

laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

Referred to the Committee on Judiciary.

Mses. Reichgott; Peterson, D.C.; Messrs. Luther and Storm introduced-

S.F. No. 2041: A bill for an act relating to elections; authorizing use of electronic voting systems for absentee voting in certain health care facilities; amending Minnesota Statutes 1983 Supplement, section 203B.08, subdivision 1a.

Referred to the Committee on Elections and Ethics.

Messrs. Pehler, Nelson and Willet introduced—

S.F. No. 2042: A bill for an act relating to education; establishing a scholarship program at certain state universities and certain campuses of the University of Minnesota to recruit top scholars in certain fields of study; appropriating money; proposing new law coded in Minnesota Statutes, chapter 135A.

Referred to the Committee on Education.

Messrs. Moe, D.M.; Bernhagen and Willet introduced-

S.F. No. 2043: A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, section 3.971, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced-

S.F. No. 2044: A bill for an act relating to taxation; income; abolishing the farm loss modification; amending Minnesota Statutes 1982, sections 290.05, subdivision 3; and 290.095, subdivision 11; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20a, 20b, and 20f; 290.09, subdivision 1; 290.095, subdivision 7; and 290A.03, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 290.09, subdivision 29.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Merriam introduced—

S.F. No. 2045: A bill for an act relating to taxation; income; eliminating withholding on pari-mutuel winnings; repealing Minnesota Statutes 1983 Supplement, section 290.92, subdivisions 27 and 28.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jude, Ms. Reichgott and Mr. Knaak introduced—

S.F. No. 2046: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify gram-

mar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Merriam and Novak introduced-

S.F. No. 2047: A bill for an act relating to athletics; changing the name of the board of boxing; regulating professional wrestling exhibitions; imposing a gross receipts tax on professional wrestling exhibitions; providing funding for high school extracurricular activities; clarifying certain terms; appropriating money; amending Minnesota Statutes 1982, sections 341.01; 341.02; 341.04; 341.05; 341.06; 341.07; 341.08; 341.09; 341.10; 341.11; 341.12; 341.13; 341.15; Minnesota Statutes 1983 Supplement, section 341.115.

Referred to the Committee on Economic Development and Commerce.

Mr. Frank and Mrs. McQuaid introduced-

S.F. No. 2048: A bill for an act relating to retirement; allowing municipal planners to participate in a deferred compensation plan in lieu of public employees retirement association membership; amending Minnesota Statutes 1982, section 353.028.

Referred to the Committee on Governmental Operations.

Mrs. Lantry introduced-

S.F. No. 2049: A bill for an act relating to the Ramsey-Washington metro watershed district; providing for the establishment of a district water maintenance and repair fund; authorizing a tax levy for water maintenance and repair purposes.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Johnson, D.E. introduced-

S.F. No. 2050: A bill for an act relating to drainage; changing the amount of bond on appeal; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. DeCramer and Bertram introduced—

S.F. No. 2051: A bill for an act relating to agriculture; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; amending Minnesota Statutes 1982, section 41.56, subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

- Ms. Peterson, D.C.; Messrs. Petty, Luther, Wegscheid and Mrs. Kronebusch introduced—
- S.F. No. 2052: A bill for an act relating to insurance; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, section 65B.44, subdivision 5.

Referred to the Committee on Economic Development and Commerce.

Mr. Sieloff introduced-

S.F. No. 2053: A bill for an act relating to taxation; income; allowing an itemized deduction for certain foreign taxes; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Solon introduced-

S.F. No. 2054: A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; proposing new law coded in Minnesota Statutes, chapter 61A.

Referred to the Committee on Economic Development and Commerce.

Mr. Pogemiller introduced-

S.F. No. 2055: A bill for an act relating to taxation; modifying and clarifying the small business investment credits; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther, Ramstad, Jude, Novak and Ms. Berglin introduced—

S.F. No. 2056: A bill for an act relating to taxation; property; providing an exemption for certain facilities for the elderly; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson, D.J. introduced-

S.F. No. 2057: A bill for an act relating to transportation; prohibiting certain types of barricades, fences, or obstructions across highways and roads; imposing a penalty; amending Minnesota Statutes 1982, section 160.27, subdivision 5.

Referred to the Committee on Transportation.

Messrs. Johnson, D.J.; Dicklich and Lessard introduced-

S.F. No. 2058: A bill for an act relating to education; basing the distribution of certain taconite tax proceeds to certain school districts on a one year earlier pupil unit count; amending Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1.

Referred to the Committee on Education.

Mr. Chmielewski introduced-

S.F. No. 2059: A bill for an act relating to education; inspection of school buildings by state fire marshal; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b; proposing new law coded in Minnesota Statutes, chapter 299F.

Referred to the Committee on Education.

Mr. Chmielewski introduced-

S.F. No. 2060: A bill for an act relating to taxation; property; extending class 3 property to certain property owned by veterans organizations; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, D.J. and Dicklich introduced-

S.F. No. 2061: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dicklich and Johnson, D.J. introduced-

S.F. No. 2062: A bill for an act relating to workers' compensation; providing for determination of disability in cases of occupational disability; amending Minnesota Statutes 1982, section 176.66, subdivision 1.

Referred to the Committee on Employment.

Mr. Johnson, D.J. introduced-

S.F. No. 2063: A bill for an act relating to traffic regulations; providing penalties for certain traffic violations; amending Minnesota Statutes 1982, section 169.141, subdivision 2, and by adding a subdivision.

Referred to the Committee on Transportation.

Messrs, Johnson, D.J.: Dicklich and Lessard introduced—

S.F. No. 2064: A bill for an act relating to state lands; conveying lands to the federal government for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1982, section 84B.03, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 2065: A bill for an act relating to health; changing certain hospital cost reporting requirements; adding reporting requirements for outpatient surgical centers; deleting hospital rate review requirements; adding provisions for fines; deleting obsolete language; amending Minnesota Statutes 1982, sections 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; and 144.703; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

Referred to the Committee on Health and Human Services.

. Mr. Samuelson introduced—

S.F. No. 2066: A bill for an act relating to taxation; changing the definition of wetlands for purposes of the property tax exemption and credit; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Moe, R.D. and Peterson, C.C. introduced—

S.F. No. 2067: A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced-

S.F. No. 2068: A bill for an act relating to game and fish; authorizing the use of dogs in taking bear; amending Minnesota Statutes 1982, section 100.29, subdivision 14.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Bertram, Mmes. Adkins, McQuaid, Mr. Stumpf and Ms. Olson introduced—

S.F. No. 2069: A bill for an act relating to local government; requiring payments as a condition of annexations; amending Minnesota Statutes 1982, section 414.031, subdivision 4.

Referred to the Committee on Local and Urban Government.

Mr. Dieterich introduced-

S.F. No. 2070: A bill for an act relating to intoxicating liquor; providing for the validation and issuance of intoxicating liquor licenses on Indian reservations; amending Minnesota Statutes 1982, section 340.11, by adding a subdivision.

Referred to the Committee on Public Utilities and State Regulated Industries.

Messrs. Peterson, C.C. and Frederickson introduced-

S.F. No. 2071: A bill for an act relating to retirement; highway patrol; age and service requirements; annuity formula; amending Minnesota Statutes 1983 Supplement, section 352B.08.

Referred to the Committee on Governmental Operations.

Mr. Schmitz, Mrs. Adkins, Messrs. Wegscheid, Chmielewski and Renneke introduced-

S.F. No. 2072: A bill for an act relating to local government; providing for the conduct of the business of towns; setting various conditions for elections; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended; 6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.51; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1: 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 17, 21, 22, and 26; 368,121; 450,19; 624,44; and 624,51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; 367.11; and 429.011, subdivision 2b; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 160.21, subdivision 5; 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivision 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86.

Referred to the Committee on Local and Urban Government.

Messrs. Laidig, Knaak, Anderson, Ms. Olson and Mr. Kamrath introduced---

S.F. No. 2073: A resolution memorializing the Congress of the United States to provide an amendment to the Constitution of the United States to provide the president with the authority to veto individual line items in appropriations bills.

Referred to the Committee on Rules and Administration.

Mr. Peterson, C.C. introduced-

S.F. No. 2074: A bill for an act relating to health; expanding vocational rehabilitation; providing for additional grants to long-term sheltered workshops or work activity programs; appropriating money; amending Minnesota Statutes 1982, section 129A.08, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Stumpf, Samuelson, Pehler and Johnson, D.E. introduced—

S.F. No. 2075: A bill for an act relating to education; prohibiting a school district from commencing the school year prior to Labor Day; amending Minnesota Statutes 1982, section 126.12.

Referred to the Committee on Education.

Messrs. Solon; Chmielewski; Johnson, D.J.; Dicklich and Lessard introduced—

S.F. No. 2076: A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Willet introduced—

S.F. No. 2077: A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses; validating certain liquor licenses.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Stumpf introduced-

S.F. No. 2078: A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes; authorizing the establishment of facilities for the provision of supportive services; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; and 376.60; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

Referred to the Committee on Health and Human Services.

Messrs, Bertram, Lessard and Samuelson introduced-

S.F. No. 2079: A bill for an act relating to veterans; requiring veterans organizations to file reports to the commissioner of veterans affairs; proposing new law coded in Minnesota Statutes, chapter 197.

Referred to the Committee on Veterans and General Legislation.

Mr. Dicklich introduced—

S.F. No. 2080: A bill for an act relating to education; ensuring minimum amounts of financial support to the regional public library system; requiring county board of commissioners to appoint at least one representative to the regional public library system board; proposing new law coded in Minnesota Statutes, chapter 134.

Referred to the Committee on Education.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:45 p.m., Wednesday, March 28, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-EIGHTH DAY

St. Paul, Minnesota, Wednesday, March 28, 1984

The Senate met at 2:45 p.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. George Weinman.

The roll was called, and the following Senators answered to their names:

Dicklich	Knaak	Moe, R.D.	Renneke
Diessner	Knutson	Nelson	Schmitz
Dieterich	Kroening	Novak	Sieloff
Frank	Kronebusch	Olson	Solon
Frederick	Laidig	Pehler	Spear
Frederickson	Langseth	Peterson, C.C.	Storm
Freeman	Lantry	Peterson, D.C.	Stumpf
Hughes	Lessard	Peterson, D.L.	Taylor
Isackson	Luther	Peterson, R.W.	Ulland
Johnson, D.E.	McOuaid	Petty	Vega ·
Johnson, D.J.	Mehrkens	Pogemiller	Wegscheid
Jude	Merriam	Purfeerst	Willet
Kamrath	Moe, D.M.	Reichgott	
	Diessner Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude	Diessner Knutson Dieterich Kroening Frank Kronebusch Frederick Laidig Frederickson Lantry Hughes Lessard Isackson Luther Johnson, D.E. McQuaid Johnson, D.J. Merkens Jude Merriam	Diessner Knutson Nelson Dieterich Kroening Novak Frank Kronebusch Olson Frederick Laidig Pehler Frederickson Langseth Peterson, C.C. Freeman Lantry Peterson, D.C. Hughes Lessard Peterson, D.L. Isackson Luther Peterson, R.W. Johnson, D.E. McQuaid Petty Johnson, D.J. Mehrkens Jude Merriam Purfeerst

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Ramstad, Samuelson and Waldorf were excused from the Session of today. Mrs. Kronebusch was excused from the Session of today from 2:45 to 3:10 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

June 16, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Metropolitan Council are hereby respectfully submitted to the Senate for confirmation as required by law:

Marcia Bennett, 654 - 48th Ave. N.E., Columbia Heights, Anoka County,

has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Joan M. Campbell, 947 - 17th Ave. S.E., Minneapolis, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Philip C. Carruthers, 7852 Yates Ave. N., Brooklyn Park, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Carol Flynn, 4741 Elliot Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Raymond J. Joachim, 109 W. 6th St., Jordan, Scott County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Michael William McLaughlin, 275 Summit Ave., St. Paul, Ramsey County, has been appointed by me, efffective June 16, 1983, for a term expiring the first Monday in January, 1987.

Patrick J. Scully, 1617 Ashland St., Hastings, Dakota County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Gertrude Ulrich, 7601 Aldrich Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Local and Urban Government.)

Sincerely,

Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has refused to adopt the Conference Committee report on the following Senate File and has voted that the bill be returned to the Senate and to the Conference Committee.

S.F. No. 989: A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

Senate File No. 989 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 26, 1984

Mr. Peterson, R.W. moved that S.F. No. 989 and the Conference Committee report thereon be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 560, 1405, 1460, 1496, 1279, 1377, 1408, 1257, 1382, 1428, 1481, 1516, 1587, 1522, 1621, 1659, 1699, 1611, 1654 and 1784.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 26, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 560: A bill for an act relating to Cook County; permitting the sale of certain land.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1405: A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1328, now on General Orders.

H.F. No. 1460: A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1371, now on General Orders.

H.F. No. 1496: A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1395, now on General Orders.

H.F. No. 1279: A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

Referred to the Committee on Judiciary.

H.F. No. 1377: A bill for an act relating to local government; providing for

supplemental local government aid payments to certain cities and towns; appropriating money.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1344, now on General Orders.

H.F. No. 1408: A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1446, now on General Orders.

H.F. No. 1257: A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1382: A bill for an act relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates; amending Minnesota Statutes 1982, section 244.01, subdivisions 2 and 8; 244.09, subdivision 5, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1354, now on General Orders.

H.F. No. 1428: A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; proposing new law coded in Minnesota Statutes, chapter 299C.

Referred to the Committee on Judiciary.

H.F. No. 1481: A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; allowing credit unions to designate the par value of shares; specifying certain components of the capital of a credit union; adding investment losses to the category of contingencies against which credit unions are required to reserve; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.17, subdivision 1; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.01; 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1516: A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions

2 and 3; and 429.101, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1506, now on the Calendar.

H.F. No. 1587: A bill for an act relating to state government; ratifying state labor agreements and compensation plans; providing for interim approval of certain negotiated agreements and compensation plans; making a change in the state unit composition schedule.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1553, now on General Orders.

H.F. No. 1522: A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1377.

H.F. No. 1621: A bill for an act relating to veterans; allowing certain veterans organizations to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

Referred to the Committee on Veterans and General Legislation.

H.F. No. 1659: A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1699: A bill for an act relating to state lands; terminating a possible right of reversion to the state in certain real estate.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1611: A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, sections 327C.02, subdivision 5; and 327C.07, subdivisions 3a and 8.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1508, now on General Orders.

H.F. No. 1654: A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 343.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1784: A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted. The motion prevailed.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1557: A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- . S.F. No. 1793: A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete section 2

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1820: A bill for an act relating to public welfare; allowing reimbursement for certain services under the state general assistance medical care program; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 15, after the comma, insert "equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level,"
- Page 3, line 3, after the period, insert "A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's obligation under the Hill-Burton program, if otherwise permitted under federal law."

Amend the title as follows:

Page 1, line 3, after "services" insert "and medical supplies"

Page 1, line 4, after the semicolon insert "authorizing hospitals to apply toward their Hill-Burton obligation an unpaid balance resulting from reductions in payments by the state;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which

was referred

S.F. No. 1815: A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 317.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "317.70" and insert "144.581"

Page 1, delete lines 9 through 18 and insert:

"Subdivision 1. A municipality, political subdivision, state agency, or other governmental entity that owns or operates a hospital authorized, organized, or operated under chapters 158, 250, 253, 376, and 397, or under sections 383A.41, 412.221, 447.05 to 447.13, 447.33, or 471.59, or under any special law authorizing or establishing a hospital or hospital district"

Page 1, line 19, delete "447.13"

Page 1, line 19, delete "operation of the hospital" and insert "delivery of health care services"

Page 1, line 19, after "have" insert ", in addition to any authority vested by law,"

Page 2, after line 8, insert:

- "Subd. 2. In the event that the municipality, political subdivision, state agency, or other governmental entity provides direct financial subsidy to the hospital from tax revenue at the time an undertaking authorized under subdivision 1 is established or funded, the hospital may not contribute funds to the undertaking for more than three years and thereafter all funds must be repaid, with interest in no more than ten years.
- Subd. 3. The conversion of public funds for the benefit of any individual shall constitute grounds for review and action by the attorney general or the county attorney under section 609.54.
- Subd. 4. Notwithstanding the development of an organization under this section, the governance of a hospital by the organization shall be subject to the public purchasing requirements of chapter 16, the open meeting law, section 471.705, and the data practices act, chapter 13."

Amend the title as follows:

Page 1, line 5, delete "317" and insert "144"

And when so amended the bill do pass. Amendments adopted, Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1782: A bill for an act relating to public welfare; establishing an experimental family-based services program for children; providing grants; proposing new law coded in Minnesota Statutes, chapter 257.

Reports the same back with the recommendation that the bill do pass and be

re-referred to the Committee on Finance. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1604: A bill for an act relating to public welfare; extending the community work experience program; amending Minnesota Statutes 1983 Supplement, section 256.737.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 14, strike "establish" and insert "continue the"
- Page 1, line 15, after "programs" insert "in operation as of January 1, 1984"
- Page 1, line 15, after the period, insert "No new pilot community work experience demonstration programs may be established."
 - Page 2, line 2, delete "1986" and insert "1985"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 1775: A bill for an act relating to economic development; establishing a Minnesota convention facility commission; requiring the commission to report to the governor and legislature a proposal for the construction, operation, promotion, and financing of a Minnesota convention facility; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 1, after "of" insert "one member from each congressional district and"
 - Page 2, line 1, delete "15" and insert "seven additional"
- Page 2, line 2, after the period, insert "Commission members shall be compensated as provided in Minnesota Statutes, section 15.0575, subdivision 3."
- Page 2, line 36, after the period, insert "For the purposes of this section, the term "city" includes statutory and home rule charter cities. For the purposes of this section, the term "city" includes all state-owned lands at Fort Snelling, including the state park, historic site, and military site."
 - Page 3, line 11, after "a" insert "primary"
- Page 3, line 12, before the period, insert "along with a list of alternate proposals"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Com-

merce, to which was referred

S.F. No. 1504: A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes: providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publishing of false, misleading, or deceptive advertising regarding subdivided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34, subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83; repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 22, delete "camping"

Page 3, line 23, delete "club,"

Pages 3 and 4, delete section 6

Page 4, lines 16 and 36, delete "30 and 31" and insert "29 and 30"

Page 6, line 6, delete "includes" and insert "does not include"

Page 10, after line 24, insert:

"Subdivisions in which all the improvements are complete and paid for by the developer, and for which clear title can be given the purchaser at the closing, are exempt from providing independently certified financial statements."

Page 10, line 27, delete "includes" and insert "does not include"

Page 14, lines 9 and 29, delete "includes" and insert "does not include"

Page 15, line 13, delete "30" and insert "29"

Page 15, line 14, delete "31" and insert "30"

Page 15, line 29, delete "campgrounds,"

Page 16, line 2, after the semicolon, insert "and"

Page 16, line 17, delete "includes" and insert "does not include"

Page 16, line 24, delete "30 and 31" and insert "29 and 30"

Page 19, line 28, delete "includes" and insert "does not include"

Page 20, line 4, delete "30" and insert "29"

Page 20, line 5, delete "31" and insert "30"

Page 21, lines 9 and 30, delete "30 and 31" and insert "29 and 30"

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Page 22, line 20, delete "includes" and insert "does not include"
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Page 22, line 36, delete "30 and 31" and insert "29 and 30"

Page 24, line 24, delete "30" and insert "15"

Page 25, lines 1, 24, and 36, delete "includes" and insert "does not include"

Page 26, line 15, delete "10" and insert "9"

Page 26, line 17, delete "30" and insert "29"

Page 26, line 18, delete "31" and insert "30"

Page 26, lines 19, 26, and 28, delete "30 and 31" and insert "29 and 30"

Page 27, lines 3 and 36, delete "30 and 31" and insert "29 and 30"

Page 28, line 17, delete "30 and 31" and insert "29 and 30"

Page 29, lines 27 and 31, delete "30 and 31" and insert "29 and 30"

Page 30, line 28, delete "30 and 31" and insert "29 and 30"

Page 30, line 36, delete "31" and insert "30"

Page 31, line 18, delete "30 and 31" and insert "29 and 30"

Page 32, line 6, delete "31" and insert "30"

Page 32, lines 16 and 31, delete "30 and 31" and insert "29 and 30"

Page 33, lines 2, 20, and 31, delete "30 and 31" and insert "29 and 30"

Page 33, line 15, delete "includes" and insert "does not include"

Page 34, line 15, delete "30" and insert "29"

Page 34, line 16, delete "31" and insert "30"

Page 34, lines 18 and 22, delete "30 and 31" and insert "29 and 30"

Page 35, lines 1, 2, and 11, delete "30 and 31" and insert "29 and 30"

Page 35, lines 30 and 31, delete "31" and insert "30"

Page 36, line 17, delete "32" and insert "31"

Page 36, line 17, delete "July" and insert "September"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1645: A bill for an act relating to state lands; transferring to Renville county the picnic grounds area of Birch Coulee battlefield state historic site; appropriating money; amending Minnesota Statutes 1982, section 138.025, subdivision 11.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 18, after "park" insert "without jeopardy to the historical integrity of the battlefield area"

Page 2, line 9, strike "park" and insert "historic site"

Page 2, line 11, strike "park" and insert "historic site"

Page 2, line 21, delete "properly"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1356: A bill for an act relating to taxation; income; reinstating pollution control and feedlot pollution control credits; amending Minnesota Statutes 1982, section 290.06, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "standards" insert ", or equipment used primarily to reduce the generation of hazardous waste,"

Page 1, line 18, delete "so much" and insert "the lesser"

Page 1, line 19, delete "as does not exceed" and insert "or"

Page 1, line 20, after "if" insert:

"(1)"

Page 1, line 22, after "agency" insert "; or

(2) the pollution control agency certifies that the equipment reduces the generation of hazardous waste and that the generator is in compliance with applicable hazardous waste laws and rules".

Page 2, line 25, delete "9" and insert "16"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1588: A bill for an act relating to the environment; clarifying a definition in the Environmental Response and Liability Act; amending Minnesota Statutes 1983 Supplement, section 115B.02, subdivision 15.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1676: A bill for an act relating to natural resources; providing that certain appropriations for the southern Minnesota river basin area grants are

available until expended.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1377: A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "law" and insert "section 282.018"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 992: A bill for an act relating to welfare; requiring parents of children on probation or parole to pay the costs of foster care; providing for payment of costs of care for emotionally handicapped children; amending Minnesota Statutes 1982, sections 242.19, subdivision 2; 252.27, subdivision 1; and 260.251, subdivision 1; and proposing new law coded in chapter 260.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, delete section 2

Pages 3 to 5, delete sections 3 and 4 and insert:

"Sec. 2. Minnesota Statutes 1982, section 260.251, subdivision 1, is amended to read:

Subdivision 1. [CARE, EXAMINATION, OR TREATMENT.] (a) Except where parental rights are terminated,

- (1) whenever legal custody of a child is transferred by the court to a county welfare board, or
- (2) when whenever legal custody is transferred to a person other than the county welfare board, but under the supervision of the county welfare board, or whenever the child is placed by the court with someone other than its parents pursuant to section 260.175, clauses (a), (b), or (c), or
- (3) whenever a minor child is given physical or mental examinations or treatment under order of the court, and no provision is otherwise made by law for payment for the care, examination, or treatment of the minor child, these costs are a charge upon the welfare funds of the county in which proceedings are held upon certification of the judge of juvenile court.
- (b) The court shall order the parents or custodian of a child, while the child is under the age of 18, to use the total income and resources attributable to the child for the period in which he or she receives care, examination, or treat-

ment, except for clothing and personal needs allowance as provided in section 256B.35, to reimburse the county for the cost of care, examination, or treatment. Income and resources attributable to the child include, but are not limited to, social security benefits, supplemental security income (SSI), veterans benefits, railroad retirement benefits and child support. When the child is over the age of 18, and continues to receive care, examination, or treatment, the court shall order the child to reimburse the county for the cost of care, examination, or treatment from the income and resources attributable to him or her less the clothing and personal needs allowance.

- (c) If the income and resources attributable to the child are not enough to reimburse the county for the full cost of the care, examination, or treatment, the court may shall inquire into the ability of the parents to support the minor child and, after giving the parents a reasonable opportunity to be heard, may shall order the parents to pay reimburse the county, in the manner and to whom the court may direct, such sums as will cover in whole or in part the cost of care, examination, or treatment of the minor child.
- (d) The court shall order the amount of reimbursement attributable to the parents or custodian, or attributable to the child, or attributable to both sources, withheld under chapter 518 from the income of the parents or the custodian of the child. If the parents a parent or the custodian or the child over the age of 18 fail fails to pay this sum without good reason, they he or she may be proceeded against for contempt, or the court may inform the county attorney, who shall proceed against the parents any of them to collect the unpaid sums, or both procedures may be used."

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "handicapped children;"

Page 1, line 6, delete everything after the semicolon

Page 1, line 7, delete the first "subdivision 1;"

Page 1, line 7, delete everything after the second "subdivision 1" and insert a period

Page 1, delete line 8

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1985: A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivision 2; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 144,072, is amended to read:

144.072 [IMPLEMENTATION OF SOCIAL SECURITY AMENDMENTS OF 1972.]

Subdivision 1. The state commissioner of health shall implement by rule, pursuant to the administrative procedures act, those provisions of the social security amendments of 1972 (P. L. 92-603) required of state health agencies, including rules which:

- (a) establish a plan, consistent with regulations prescribed by the secretary of health, education, and welfare, for the review by appropriate professional health personnel, of the appropriateness and quality of care and services furnished to recipients of medical assistance; and
- (b) provide for the determination as to whether institutions and agencies meet the requirements for participation in the medical assistance program, and the certification that those requirements, including utilization review, are being met.
- Subd. 2. The policies and procedures, including survey forms, reporting forms, and other documents developed by the commissioner of health for the purpose of conducting the inspections of care required under the provisions of 42 CFR 456.600 to 456.614 in effect on March 1, 1984, have the force and effect of law and shall remain in effect and govern inspections of care until June 30, 1986, unless otherwise superseded by rules promulgated by the commissioner of health.

Sec. 2. [144.0721] [ASSESSMENTS OF CARE AND SERVICES TO NURSING HOME RESIDENTS.]

Subdivision 1. The commissioner of health shall assess the appropriateness and quality of care and services furnished to private paying residents in nursing homes and boarding care homes that are certified for participation in the medical assistance program under United States Code, title 42, section 1396 et seq. These assessments shall be conducted in accordance with section 144.072, with the exception of the provisions requiring the making of recommendations for changes in the level of care provided to the private paying residents.

- Subd. 2. [ACCESS TO DATA.] With the exception of summary data, data on individuals that is collected, maintained, used, or disseminated by the commissioner of health under subdivision 1 shall be private data on individuals and shall not be disclosed to others except:
 - (1) pursuant to section 13.05;
 - (2) pursuant to a valid court order;
- (3) to the nursing home or boarding care home in which the individual resided at the time the assessment was completed; or
 - (4) to the commissioner of public welfare.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 144A.31, subdivision 4, is amended to read:
 - Subd. 4. [ENFORCEMENT.] The board shall develop and recommend for

implementation effective methods of enforcing quality of care standards. When it deems necessary, and when all other methods of enforcement are not appropriate, the board shall recommend to the commissioner of health closure of all or part of a nursing home or certified boarding care home and revocation of the license. The board shall develop, and the commissioner of public welfare shall implement, a resident relocation plan that instructs the county in which the nursing home or certified boarding care home is located of procedures to ensure that the needs of residents in nursing homes or certified boarding care homes about to be closed are met. The duties of a county under the relocation plan also apply when residents are to be discharged from a nursing home or certified boarding care home as a result of a change in certification, closure, or loss or termination of the facility's medical assistance provider agreement. The county shall ensure placement in swing beds in hospitals, placement in unoccupied beds in other nursing homes, utilization of home health care on a temporary basis, foster care placement, or other appropriate alternative care. In preparing for relocation, the board shall ensure that residents and their families or guardians are involved in planning the relocation.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 2, is amended to read:
- Subd. 2. [ACTUAL ALLOWABLE HISTORICAL OPERATING COST PER DIEM.] "Actual allowable historical operating cost per diem" means the per diem payment for actual operating costs, including operating costs, allowed by the commissioner for the most recent reporting year.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 5, is amended to read:
- Subd. 5. [GENERAL AND ADMINISTRATIVE COSTS.] "General and administrative costs" means all allowable costs for administering the facility, including but not limited to: salaries of administrators, assistant administrators, medical directors, accounting personnel, data processing personnel, and all clerical personnel; board of directors fees; business office functions and supplies; travel, except as necessary for training programs reguired to maintain licensure, certification, or professional standards requirements: telephone and telegraph; advertising; licenses and permits; membership dues and subscriptions; postage; insurance, except as included as a fringe benefit under subdivision 14; professional services such as legal, accounting and data processing services; central or home office costs; management fees; management consultants; employee training, for any top management personnel and for other than direct resident care related personnel; and business meetings and seminars. These costs shall be included in general and administrative costs in total, without direct or indirect allocation to other cost categories.

In a nursing home of 60 or fewer beds, part of an administrator's salary may be allocated to other cost categories to the extent justified in records kept by the nursing home. Central or home office costs representing services of required consultants in areas including, but not limited to, dietary, pharmacy, social services, or activities may be allocated to the appropriate department, but only if those costs are directly identified by the nursing home.

Sec. 6. Minnesota Statutes 1983 Supplement, section 256B.421, subdivi-

sion 8, is amended to read:

Subd. 8. [OPERATING COSTS.] "Operating costs" means the day-to-day costs of operating the facility in compliance with licensure and certification standards. Operating cost categories are: nursing, including nurses and nursing assistants training; dietary; laundry and linen; housekeeping; plant operation and maintenance; other care-related services; general and administration; payroll taxes; real estate taxes and actual special assessments paid; and fringe benefits, including clerical training; and travel necessary for training programs required to maintain licensure, certification, or professional standards requirements.

Sec. 7. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 1, is amended to read:

Subdivision 1. [IN GENERAL.] The commissioner shall determine prospective payment rates for resident care costs. In determining the rates, the commissioner shall group nursing homes according to different levels of care and geographic location until July 1, 1985, and after that date, mix of resident needs, and geographic location, as defined by the commissioner. For rates established on or after July 1, 1985, the commissioner shall develop procedures for determining operating cost payment rates that take into account the mix of resident needs, geographic location, and other factors as determined by the commissioner. The commissioner shall consider the use of the standard metropolitan statistical areas when developing groups by geographic location. Until groups are established according to mix of resident needs the commissioner establishes procedures for determining operating cost payment rates, the commissioner shall group all convalescent and nursing care units attached to hospitals into one group for purposes of determining reimbursement for operating costs. On or before June 15, 1983, the commissioner shall mail notices to each nursing home of the rates to be effective from July 1 of that year to June 30 of the following year. In subsequent years, the commissioner shall provide notice to each nursing home on or before May 1 of the rates effective for the following rate year. If a statute enacted after May 1 affects the rates, the commissioner shall provide a revised notice to each nursing home as soon as possible.

The commissioner shall establish, by rule, limitations on compensation recognized in the historical base for top management personnel. The commissioner shall also establish, by rule, limitations on allowable nursing hours for each level of care for the rate years beginning July 1, 1983 and July 1, 1984.

- Sec. 8. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 2, is amended to read:
- Subd. 2. [OPERATING COSTS.] (a) For the rate year beginning July 1, 1984, the commissioner shall establish, by rule, procedures for determining per diem reimbursement for operating costs based on actual resident days. The commissioner shall disallow any portion of the general and administration cost category, exclusive of fringe benefits and payroll taxes, that exceeds.

10 percent (1) for nursing homes with more than 100 certified beds in total, the greater of ten percent or \$2.95 per day per resident for skilled level, \$2.54

per day per resident for intermediate care two level, or \$1.82 per day per resident for intermediate care level;

- 12 percent (2) for nursing homes with fewer than 101 but more than 40 certified beds in total, the greater of 12 percent or \$3.06 per day per resident for skilled level, \$2.70 per day per resident for intermediate care one level, or \$1.82 per day per resident for intermediate care two level;
- 14 percent (3) for nursing homes with 40 or fewer certified beds in total, the greater of 14 percent or \$5.78 per day per resident for skilled level, \$3.72 per day per resident for intermediate care one level, or \$3.72 per day per resident for intermediate care two level; and
- (4) 15 percent for convalescent and nursing care units attached to hospitals for the rate year beginning July 1, 1983 1984,
- of the expenditures in all operating cost categories except fringe benefits, payroll taxes, and general and administration.
- (b) For the rate year beginning July 1, 1983, and ending June 30, 1984, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on the allowed historical operating costs as reported in the most recent cost report received by December 31, 1982 and audited by March 1, 1983, and may be subsequently adjusted to reflect the costs allowed. To determine the allowed historical operating cost, the commissioner shall update the historical per diem shown in those cost reports to June 30, 1983, using a nine percent annual rate of increase after applying the general and administrative cost limitation described in paragraph (a). The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1.
- (1) Within each group, each nursing home whose actual allowable historical operating cost per diem as determined under this paragraph (b) is above the 60th percentile shall receive the 60th percentile increased by six percent plus 80 percent of the difference between its actual allowable operating cost per diem and the 60th percentile.
- (2) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive that actual allowable historical operating cost per diem increased by six percent.

For the rate year beginning July 1, 1984, and ending June 30, 1985, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on actual allowable historical operating costs incurred during the reporting year preceding the rate year. The commissioner shall analyze and evaluate each nursing home's report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year. The actual allowable historical operating costs, after the commissioner's analysis and evaluation, shall be added together and divided by the number of actual resident days to compute the actual allowable historical operating cost per diems. The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1.

(3) Within each group, each nursing home whose actual allowable histori-

cal operating cost per diem is above the 60th percentile of payment rates shall receive the 60th percentile increased at an annual rate of six percent plus 75 percent of the difference between its actual allowable historical operating cost per diem and the 60th percentile.

- (4) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive that actual allowable historical operating cost per diem increased at an annual rate of six percent.
- (c) For subsequent years rate years beginning on or after July 1, 1985, the commissioner shall establish procedures for determining per diem reimbursement for operating costs. The commissioner shall:
- (1) Contract with an econometric firm with recognized expertise in and access to national economic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate;
- (2) Establish the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. The commissioner shall analyze and evaluate each nursing home's cost report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective. The allowable historical operating costs, after the commissioner's analysis and evaluation, shall be added together and divided by the actual number of resident days in order to compute the actual allowable historical operating cost per diem;
- (3) Establish limits on actual allowable historical operating cost per diems based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking into consideration relevant factors including resident needs, geographic location, age, and size of the nursing home. The limits established under this clause shall remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph (c), clause (4).

In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent.

The commissioner may establish efficiency incentives for different operating cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories.

(3) (4) Establish a composite index for each group or indices by determining the weighted average of all appropriate economic change indicators to be applied to the specific operating cost categories in that group; or combination of operating cost categories.

- (4) Within each group, each nursing home shall receive the 60th percentile increased by the composite index calculated in paragraph (c)(3). The historical base for determining the prospective payment rate shall not exceed the operating cost payment rates during that reporting year.
- (5) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph (c), clause (4) for the operating cost category plus an efficiency incentive established pursuant to paragraph (c), clause (3), or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commissioner may establish separate rates for different classes of residents based on their relative care needs.
- (6) The commissioner shall include the reported actual real estate tax liability of each proprietary nursing home as an operating cost of that nursing home. The commissioner shall include a reported actual special assessment for each nursing home as an operating cost of that nursing home. Total real estate tax liability and actual special assessments paid for each nursing home (i) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, but (ii) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (iii) shall not be increased by the composite index or indices established pursuant to paragraph (c), clause (4).
- (7) For rate years beginning on or after July 1, 1986, the commissioner may allow a one time adjustment to historical operating costs of a nursing home that has been found by the commissioner of health to be significantly below care related minimum standards appropriate to the mix of resident needs in that nursing home when it is determined by the commissioners of health and welfare that the nursing home is unable to meet minimum standards by other means. In developing procedures to allow adjustments, the commissioner shall specify the terms and conditions governing any additional payments made to a nursing home as a result of the adjustment. The commissioner shall establish procedures to recover amounts paid pursuant to this clause, in whole or in part, and to adjust current and future rates, for nursing homes that fail to use the adjustment to satisfy care related minimum standards.
- (d) The commissioner shall allow the nursing home to keep, as an efficiency incentive, the difference between the nursing home's operating cost payment rate established for that rate year and the actual historical operating costs incurred for that rate year, if the latter amount is smaller. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. If an annual cost report or field audit indicates that the expenditures for direct resident care have been reduced in amounts large enough to indicate a possible detrimental effect on the quality of care, the commissioner shall notify the commissioner of health and the interagency board for quality assurance. If a field audit

reveals that unallowable expenditures have been included in the nursing home's historical operating costs, the commissioner shall disallow the expenditures and recover the entire overpayment. The commissioner shall establish, by rule, procedures for assessing an interest charge at the rate determined for unpaid taxes or penalties under section 270.75 on any outstanding balance resulting from an overpayment or underpayment.

- (e) Until procedures for determining operating cost payment rates according to mix of resident needs are established, the commissioner may negotiate, with a nursing home that is eligible to receive medical assistance payments, a payment rate of up to 125 percent of the allowed payment rate to be paid for a period of up to three months for individuals who have been hospitalized for more than 100 days, or who have extensive care needs based on nursing hours actually provided or mental or physical disability, or need for respite care for a specified and limited time period, and based on an assessment of the nursing home's resident mix as determined by the commissioner of health. The payment rate negotiated and paid pursuant to this paragraph is specifically exempt from the definition of "rule" and the rule-making procedures required by chapter 14 and section 256B.502.
- (f) Until groups are established according to mix of resident eare needs procedures for determining operating cost payment rates according to mix of resident needs are established, nursing homes licensed on June 1, 1983 by the commissioner to provide residential services for the physically handicapped and nursing homes that have an average length of stay of less than 180 days shall not be included in the calculation of the 60th percentile of any group. For rate year beginning July 1, 1983 and July 1, 1984, each of these nursing homes shall receive their actual allowed historical operating cost per diem increased by six percent. The commissioner shall also apply to these nursing homes the percentage limitation on the general and administrative cost category as provided in subdivision 2, paragraph (a).
- Sec. 9. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 4, is amended to read:
- Subd. 4. [SPECIAL RATES.] (a) A newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property-related costs calculated pursuant to the statutes and rules in effect on May 1, 1983 and for operating costs negotiated by the commissioner based upon the 60th percentile established for the appropriate group under subdivision 2, paragraph (b) to be effective from the first day a medical assistance recipient resides in the home or for the added beds. For newly constructed nursing homes which are not included in the calculation of the 60th percentile for any group, subdivision 2(f), the commissioner shall establish by rule procedures for determining interim operating cost payment rates and interim property-related cost payment rates. The interim payment rate shall not be in effect for more than 17 months. The commissioner shall establish, by temporary and permanent rules, procedures for determining the interim rate and for making a retroactive cost settle-up after the first year of operation; the cost settled operating cost per diem shall not exceed 110 percent of the 60th percentile established for the appropriate group. Until procedures determining operating cost payment rates according to mix of resident needs are established, the commissioner shall establish by rule

procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified.

- (b) For rate years beginning on or after July 1, 1983, the commissioner may exclude from a provision of 12 MCAR 2.050 any facility that is licensed by the department of health only as a boarding care home, is certified by the department of health as an intermediate care facility, is licensed by the department of public welfare under 12 MCAR 2.036, and has less than five percent of its licensed boarding care capacity reimbursed by the medical assistance program. Until a permanent rule to establish the payment rates for facilities meeting these criteria is promulgated, the commissioner shall establish the medical assistance payment rate as follows:
- (1) The desk audited payment rate in effect on June 30, 1983, shall remain in effect until the end of the facility's fiscal year. The commissioner shall not allow any amendments to the cost report on which this desk audited payment rate is based.
- (2) For each fiscal year beginning between July 1, 1983, and June 30, 1985, the facility's payment rate shall be established by increasing the desk audited payment rate determined in paragraph (b), clause (1) at an annual rate of five percent.
- (3) For fiscal years beginning on or after July 1, 1985, the facility's payment rate shall be established by increasing the facility's payment rate in the facility's prior fiscal year by the increase indicated by the consumer price index for Minneapolis and St. Paul.
- (4) For the purpose of establishing payment rates under this clause, the facility's rate and reporting years coincide with the facility's fiscal year.

A facility that meets the criteria of paragraph (b) shall submit annual cost reports on forms prescribed by the commissioner.

- Sec. 10. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 5, is amended to read:
- Subd. 5. [ADJUSTMENTS.] When resolution of appeals or on-site field audits of the records of nursing homes within a group result in adjustments to the 60th percentile of the payment rates within the group in any the reporting year ending on September 30, 1983, the 60th percentile established for the following rate year for that group shall be increased or decreased by the adjustment amount.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 256B.50, is amended to read:

256B.50 [APPEALS.]

A nursing home may appeal a decision arising from the application of standards or methods pursuant to sections 256B.41 and 256B.47 if the appeal, if successful, would result in a change to the nursing home's payment rate. The appeal procedures also apply to appeals of payment rates calculated under 12 MCAR S 2.049 filed with the department on or after May 1, 1984. To appeal, the nursing home shall notify the commissioner in writing of its intent to appeal within 30 days and submit a written appeal request within 60

days of receiving notice of the payment rate determination or decision. The appeal request shall specify each disputed item, the reason for the dispute, an estimate of the dollar amount involved for each disputed item, the computation that the nursing home believes is correct, the authority in statute or rule upon which the nursing home relies for each disputed item, the name and address of the person or firm with whom contacts may be made regarding the appeal, and other information required by the commissioner. The appeal shall be heard by a hearing examiner according to sections 14.48 to 14.56, or upon agreement by both parties according to a modified appeals procedure established by the commissioner and the hearing examiner. In any proceeding under this section, the appealing party must demonstrate by a preponderance of the evidence that the commissioner's determination is incorrect. Regardless of any rate appeal, the rate established shall be the rate paid and shall remain in effect until final resolution of the appeal or subsequent desk or field audit adjustment, notwithstanding any provision of law or rule to the contrary. To challenge the validity of rules established by the commissioner pursuant to sections 256B.41, 256B.421, 256B.431, 256B.47, 256B.48, 256B.50, and 256B.502, a nursing home shall comply with section 14.44.

Sec. 12. Minnesota Statutes 1982, section 256B.431, is amended by adding a subdivision to read:

Subd. 6. The commissioners of health and welfare shall adopt temporary rules necessary for the implementation and enforcement of the reimbursement system established in sections 1 to 11. The commissioner of health may adopt temporary rules relating to the licensure requirements of boarding care homes and nursing homes promulgated under sections 144.56 and 144A.08 if appropriate due to the changes in the reimbursement system. Until June 30, 1986, any temporary rules promulgated by the commissioner of health or welfare under this section shall be promulgated in accordance with the provisions contained in sections 14.29 to 14.36 in effect as of March 1, 1984. Temporary rules promulgated under this section shall have the force and effect of law and shall remain in effect until June 30, 1986, unless otherwise superseded by rule. The procedures for the adoption of the temporary rules authorized by this section shall prevail over any other act which amends the provisions of chapter 14 regardless of the date of final enactment of those amendments. The rules shall be developed in consultation with the interagency board for quality assurance and the board shall conduct public hearings as appropriate. The commissioners of health and welfare shall consider all comments received and shall not implement the temporary rules until a report on the proposed rules has been presented to the senate health and human services committee and the house of representatives health and welfare committee. The rules shall be effective five days after publication in the State Register, Rules adopted under this subdivision shall remain in effect until June 30, 1986.

Sec. 13. [APPROPRIATION.]

There is appropriated to the commissioner of health \$...... for purposes of sections 1, 2, and 12. The approved complement of the department of health is increased by positions for the purposes of sections 1, 2, and 12.

Sections 1 to 13 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivisions 2, 5, and 8; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; and 256B.50; proposing new law coded in Minnesota Statutes, chapter 144."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1000: A bill for an act relating to local improvements; permitting counties to assess for highway improvements within cities; amending Minnesota Statutes 1982, section 429.011, subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

"Sec. 2. Minnesota Statutes 1982, section 429.061, subdivision 1, is amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. If a county proposes to assess within the boundaries of a city for a county state-aid highway or county highway, the resolution must include the portion of the cost proposed to be assessed within the city. The county shall forward the resolution to the city and it may not proceed with the assessment procedure under this section for property within the city unless the city council adopts a resolution approving the assessment. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt

property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; and 429.061, subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1294: A bill for an act relating to motor vehicles; providing for collection of a surcharge on leases for traffic fine reimbursement; proposing new law coded in Minnesota Statutes, chapter 168.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [168.2711] [SURCHARGE ON LEASES.]

Subdivision 1. [COLLECTION OF SURCHARGE.] Those persons or agencies that engage in the rental of passenger automobiles shall collect a surcharge of 25 cents on each rental transaction and pay the same to the state treasurer in quarterly installments, beginning September 30 of the year of enactment, to be kept by the state treasurer as an open appropriation of dedicated receipts which shall be disbursed as provided in this section. Any unexpended balance in the fund at the close of the biennium shall be credited to the state general revenue fund.

Subd. 2. [ACCOUNTABILITY OF TRAFFIC VIOLATIONS.] Those persons or agencies that engage in the rental of passenger automobiles shall inform and convey all information of traffic violations incurred by vehicles

owned or controlled by them, while being rented, to the issuing authority within 15 days of the renting agency's knowledge. Information forwarded to the issuing authority, to the extent available, shall include driver's name, driver's license number, home address, employer, employer's address, post office box, form of payment, and local address, if any.

Upon compliance with this section the renting agency shall not be liable for the amount of the fine, late payment penalty, or cost of any warrants issued in connection with the violation. However, action on the part of the issuing authority relieving the lessor of liability shall not absolve the person who incurred the violation of any responsibility for the infraction.

- Subd. 3. [REIMBURSEMENT FROM FUND.] Any city, county, or municipality in which traffic tickets are issued to renters of passenger automobiles for violations arising out of use and operation of such vehicles may apply to the state treasurer for reimbursement for an amount equal to fines incurred by persons renting the passenger automobiles, but left unpaid. Reimbursement shall be made from the fund provided in subdivision 1 upon submission of a proper claim to the state treasurer pursuant to procedures prescribed by the treasurer.
- Subd. 4. [COLLECTION AND RETENTION OF FINES.] A city, county, or municipality that has obtained reimbursement for unpaid traffic fines as provided in subdivision 3 shall not thereby be precluded from collecting such fines directly from the person receiving the ticket who shall remain solely responsible. The amounts so collected may be retained by the city, county, or municipality notwithstanding the receipt of any reimbursement therefor pursuant to this section."

Amend the title as follows:

Page 1, line 3, delete "leases" and insert "passenger automobile rentals"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred
- S.F. No. 1551: A bill for an act relating to taxation; providing for the determination of EARC adjusted assessed value; clarifying certain property tax credit provisions; simplifying iron ore valuation hearing requirements; modifying assessment procedures of certain class 3 property; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 124.2131; 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 21; 273.1311; 276.04; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385;

repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 36, after "associated" insert "department of revenue"

Page 3, line 20, strike "surrounding one" and insert "an" and after "land" insert "for each dwelling"

Page 5, after line 7, insert:

"Sec. 4. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first \$30,000 of market value shall be valued and assessed at 17 percent; the next \$30,000 of market value shall be valued and assessed at 19 percent; and the remaining market value shall be valued and assessed at 30 percent. The maximum amounts of the market value of the homestead brackets subject to the 17 percent and 19 percent rates shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, 273.135, and 473H.10 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Class 3cc property shall include real estate or manufactured homes used for the purposes of a homestead by (a) any blind person, if the blind person is the owner thereof or if the blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) receives 90 percent or more of his total income from (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section

228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability, or (vii) a pension not exceeding \$20,000 per year paid from a private source as a result of that disability. Property shall be classified and assessed as elass 3ee pursuant to clause (a) only if the commissioner of revenue welfare certifies to the assessor that the owner of the property satisfies the requirements of this subdivision. The commissioner of welfare shall provide a copy of the certificate to the commissioner of revenue. Class 3cc property shall be valued and assessed as follows: in the case of agricultural land, including a manufactured home, used for a homestead, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and manufactured homes, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 19 percent, and the remaining market value shall be valued and assessed at 30 percent. In the case of agricultural land including a manufactured home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and manufactured homes, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 19 percent rates. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650.

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

- Sec. 5. Minnesota Statutes 1982, section 273.13, subdivision 19, is amended to read:
- Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to 36 percent of market value for taxes levied in 1981 and 34 percent of market value for taxes levied in 1982 and thereafter. Residential real estate contain-

ing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate eontaining less than three units, when entitled to homestead classification for one or more units, shall be classed assessed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7 to the extent of the greater of (1) the value of the first tier of assessment percentages provided under those subdivisions or (2) the value of the homestead unit. The homestead credit provided under subdivisions 6, 7, and 14a and reductions in tax provided under sections 273.135 and 273.1391, subject to any valuation limitations contained in those provisions, shall apply to the value of both homestead and nonhomestead portions of the property. A single rented or leased dwelling unit located on the premises of the homestead must be classified as 3b, 3c, 3cc, 3d, 3dd or as non-commercial, seasonal recreational residential property according to the provisions of this section."

Page 5, line 11, delete "1983" and insert "1984"

Page 5, line 11, delete "1984" and insert "1985"

Page 5, line 13, strike "only the values" and insert "the greater of the value"

Page 5, line 14, after "3cc" insert "or the value of the first tier of assessment percentages provided under those subdivisions"

Page 5, line 15, strike "entitled to homestead treatment" and insert "assessed at the percentages applicable to class 3b, 3c, or 3cc. The homestead credit provided under subdivisions 6, 7, and 14a and reductions in tax provided under sections 273.135 and 273.1391, subject to any valuation limitations contained in those provisions, shall apply to the value of both homestead and nonhomestead portions of the property"

Page 5, after line 21, insert:

"Sec. 7. [1984 ABATEMENTS.]

Any owner of split classification homestead property, the taxes on which were computed for taxes payable in 1984 pursuant to the method applicable to taxes payable in 1985 and thereafter according to Laws 1983, chapter 222, section 13, may apply for an abatement pursuant to Minnesota Statutes, section 375.192. The county board, upon receipt of the application, shall grant the abatement in the amount necessary to compensate for any increase in assessed valuation of the property attributable to the change between the 1983 and 1984 assessments in the assessment practices applied to split homestead property in the jurisdiction and for reduction in the homestead credit paid pursuant to Minnesota Statutes, section 273.13, the taconite homestead credit paid pursuant to Minnesota Statutes, section 273.135, and

the supplementary homestead property tax relief paid pursuant to Minnesota Statutes, section 273.1391, attributable to a change in practice."

Page 5, after line 35, insert:

"Sec. 9. Minnesota Statutes 1983 Supplement, section 273.1315, is amended to read:

Any property owner seeking classification and assessment of his homestead as class 3cc property pursuant to section 273.13, subdivision 7, clause (b) or (c), shall file with the commissioner of revenue for each assessment year a 3cc homestead declaration, on a form prescribed by the commissioner. The declaration shall contain the following information:

- (a) the information necessary to verify that the property owner or his spouse satisfies the requirements of section 273.13, subdivision 7, for 3cc classification:
- (b) the property owner's household income, as defined in section 290A.03, for the previous calendar year; and
 - (c) any additional information prescribed by the commissioner.

The declaration shall be filed on or before February + March 1 of each year to be effective for property taxes payable during the succeeding calendar year. The declaration and any supplementary information received from the property owner pursuant to this section shall be subject to section 290A.17.

The commissioner shall provide to the assessor on or before April 1 a listing of the parcels of property qualifying for 3cc classification.

Sec. 10. Minnesota Statutes 1982, section 274.14, is amended to read:

274.14 [LENGTH OF SESSION; RECORD.]

The county board of equalization or the special board of equalization appointed by it may continue in session and adjourn from time to time commencing on the first Monday following at the first county board meeting in July or at a special meeting called for that purpose prior to the fourth 15th day of July or, if the first Monday following the fourth day of July is a legal holiday, the first Tuesday following the fourth day of July and ending on or before the tenth following working day, when it shall adjourn and no action taken subsequent to the day of adjournment shall be valid unless a longer session period is approved by the commissioner of revenue. The commissioner may extend the session period to August 10 but no action taken by the county board of review after the extended termination date shall be valid. The county auditor shall keep an accurate record of the proceedings and orders of the board, which record shall be published in the same manner as other proceedings of county commissioners. A copy of such published record shall be transmitted to the commissioner of revenue, with the abstract of assessment required by section 274.16.

Sec. 11. Minnesota Statutes 1982, section 274.16, is amended to read:

274.16 [CORRECTED LISTS, ABSTRACTS.]

The county assessor or, in Ramsey county, the official designated by the board of county commissioners shall calculate the changes of the assessment lists determined by the county board of equalization, and make corrections

accordingly, in the real or personal lists, or both, and shall make duplicate abstracts of the same; one shall be filed in his office, and one shall be forwarded to the commissioner of revenue on or before August +10.

- Sec. 12. Minnesota Statutes 1983 Supplement, section 275.50, subdivision 5, is amended to read:
- Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1983 payable in 1984 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:
- (a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;
- (b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;
- (c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law for which matching funds have been appropriated by the state of Minnesota or the United States, excluding the administrative costs of public assistance programs, to the extent of the increase in levy over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during the year in which the taxes are payable or those programs or projects approved by the commissioner;
- (d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. Except for the costs of general assistance as defined in section 256D.02, subdivision 4, general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes in the previous year;

- (e) pay the costs of principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;
- (f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency, and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;
- (g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;
- (h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;
- (i) pay the amounts required to compensate for a decrease in manufactured homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the manufactured homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;
- (j) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;
- (k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;
- (1) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order:
- (m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:
 - (1) The increased expenditures necessary in preparation for the delivering

of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

- (n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;
- (o) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;
- (p) the amounts allowed under section 174.27 to establish and administer a commuter van program;
- (q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, chapter 253, section 3;
- (r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered

by the commissioner of revenue pursuant to section 270.16;

- (s) pay the total operating cost of a county jail as authorized in section 641.01. If the county government utilizes this special levy, then any amount levied by the county government in the previous year for operating its county jail and included in its previous year's levy limitation computed pursuant to section 275.51 shall be deducted from the current levy limitation;
- (t) pay the costs of implementing section 18.023, including sanitation and reforestation; and
- (u) pay the estimated cost for the following calendar year of the county's share of funding the Minnesota cooperative soil survey.
- Sec. 13. Minnesota Statutes 1983 Supplement, section 275.51, subdivision 3i, is amended to read:
- Subd. 3i. [LEVY LIMITATION.] The levy limitation for a governmental subdivision shall be equal to the adjusted levy limit base determined pursuant to subdivision 3h, reduced by (a) the total amount of local government aid that the governmental subdivision has been certified to receive pursuant to sections 477A.011 to 477A.014; (b) taconite taxes and aids pursuant to sections 298.28 and 298.282 including any aid received in the levy year which was required to be placed in a special fund for expenditure in the next succeeding year; (c) state reimbursements for wetlands and native prairie property tax exemptions pursuant to sections 273.115, subdivision 3 and 273.116, subdivision 3; and (d) payments in lieu of taxes to a county pursuant to section 477A.12 which are required to be used to provide property tax levy reduction certified to be paid in the calendar year in which property taxes are payable. If the sum of the taconite aids deducted exceeds the adjusted levy limit base, the excess shall be used to reduce the amounts levied as special levies pursuant to section 275.50, subdivisions 5 and 7. The commissioner of revenue shall notify a governmental subdivision of any excess taconite aids to be used to reduce special levies.

As provided in section 298.28, subdivision 1, one cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4)(c) shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made."

Page 7, after line 32, insert:

"Sec. 16. Minnesota Statutes 1982, section 278.07, is amended to read:

278.07 [JUDGMENT; AMOUNT; COSTS.]

Judgment shall be for the amount of the taxes for the year as the court shall determine the same, less the amount paid thereon, if any. If the tax is sustained in the full amount levied or increased, costs and disbursements shall be taxed and allowed as in delinquent tax proceedings and shall be included in the judgment. If the tax so determined shall be less than the amount thereof as levied, the court may, in its discretion, shall award costs and disbursements to the petitioner, which shall be taxed and allowed and be deducted from the amount of the taxes as determined. If there be no judgment for taxes, a judgment may be entered determining the right of the parties and for the

costs and disbursements as taxed and allowed."

Page 8, after line 36, insert:

- "Sec. 18. Minnesota Statutes 1982, section 298.031, subdivision 2, is amended to read:
- Subd. 2. [VALUE OF CERTAIN ORE; HOW ASCERTAINED.] (1) The taxpayer shall be given a credit in each taxable year upon the occupation tax assessed in such year under Minnesota Statutes 1957, Chapter 298, against a given mine after credit for labor credits has been given, in an amount equal to the occupation tax under said chapter 298 upon an amount produced by multiplying the number of tons of ore sold at a discount by the amount of such discount.
- (2) The aggregate amount of all credits allowed under this section to all mines shall not exceed one percent of the aggregate amount of all occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of the credit allowed by this section.
- (3) The amount of the foregoing subtraction shall be ascertained and determined by the commissioner.
- (4) If ore stockpiled from previous years operations is sold at a discount, the discount credit shall be allowed against all ore currently being produced by the same company to the extent that the discount credit is available. Any unused credit may be carried forward and utilized with future years production of ore from the stockpiled property or other properties operated by the same company."
 - Page 9, line 4, reinstate the stricken "shall" and delete "may"
 - Page 9, line 25, reinstate the stricken language
 - Page 9, line 26, reinstate the stricken "due on or before March 15."
 - Page 15, line 29, strike "and with the county auditor of each"
 - Page 15, strike lines 30 and 31
- Page 15, line 32, strike "entitled to participate in the distribution of the tax,"
 - Page 16, line 3, strike "Such"
 - Page 16, strike lines 4 to 12
- Page 16, line 13, strike "taxpayer and the public officers receiving such estimate." and insert "The commissioner of revenue shall annually on or before October 10 report an estimated distribution amount to each taxing district and"
 - Page 16, line 16, strike the comma and insert "or"
 - Page 16, line 16, after "city" strike "or"
 - Page 16, line 17, strike "school district"
- Page 16, line 22, strike "Such taxpayer shall then pay, at the times payments are"

- Page 16, strike lines 23 to 33
- Page 16, line 34, strike "due from the taxpayer in subsequent years."
- Page 16, line 35, strike "275.125"
- Page 16, line 36, strike "or"
- Page 17, line 1, strike the comma and insert "or"
- Page 17, line 1, after "city" strike "or school district"
- Page 17, line 2, after "estimated" insert "by the commissioner" and strike the comma and insert "or"
 - Page 17, line 2, after "city" strike "or school"
 - Page 17, line 3, strike "district"
 - Page 17, line 4, strike the comma and insert "or"
 - Page 17, line 4, after "city" strike "or school district"
 - Page 17, line 5, reinstate the stricken comma
 - Page 17, line 6, reinstate the stricken "and" and delete the new language
 - Page 17, line 7, delete the new language
 - Page 17, line 8, reinstate the stricken language and delete the new language
 - Page 17, line 9, strike "275.125"
- Page 17, line 9, reinstate the stricken "275.50 to 275.59, of such county," and insert "or" and reinstate the stricken "city"
 - Page 17, line 10, reinstate the stricken "payable"
 - Page 17, line 11, after "county" strike the comma and insert "or"
 - Page 17, line 11, strike "or school district,"
- Page 17, line 13, strike "indicated by such estimates" and insert "by which a taxing district's levies were reduced pursuant to this section"
 - Page 17, line 14, strike the comma and insert "or"
 - Page 17, line 14, strike "or school district"
- Page 17, line 16, reinstate the stricken ", in excess of the limitations of sections"
 - Page 17, line 17, reinstate the stricken "275.50 to 275.59"
 - Page 17, lines 19 to 23, delete the new language
 - Page 18, line 19, delete "all existing levy limitations, except"
 - Page 19, line 24, delete "Proof of any"
 - Page 19, delete lines 25 to 30
- Page 19, line 31, delete "correctness of the amount of tax due, as shown therein."
- Page 20, line 2, delete "stating his intention to assess" and insert "assessing"

Page 20, delete lines 10 to 24

Page 20, line 29, delete "pursuant to subdivision 2"

Renumber the subdivisions in sequence

Page 22, after line 22, insert:

"Sec. 26. Minnesota Statutes 1982, section 373.01, is amended by adding a subdivision to read:

Subd. 3. A county board may, by resolution and without referendum, issue capital notes subject to the county debt limit to purchase capital equipment useful for county purposes that has an expected useful life at least equal to the term of the notes. The notes shall be payable in not more than five years and shall be issued on terms and in a manner the board determines. A tax levy shall be made for payment of the principal and interest on the notes, in accordance with section 475.61, as in the case of bonds."

Page 22, line 23, after "[385.42]" insert "[IMPOSITION OF PENALTY.]"

Page 22, line 27, after "board" insert ", but shall not exceed the amount stated in section 332.50"

Page 22, line 32, delete "5, and 6" and insert "4, 5, 8, and 14"

Page 22, line 34, delete "to 9, and 13 to 17" and insert ", 10, 11, 15, 17, 18, 19, 23, 24, 25, 27, and 28"

Page 22, line 35, delete everything after the period

Page 22, delete line 36

Page 23, delete line 1 and insert "Section 9 is effective for taxes levied in 1985, payable in 1986, and thereafter. Section 16 is effective for actions in which petitions are filed after July 31, 1984. Sections 20 to 22 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "extending 3cc classification to homesteads of private disability pension recipients; providing for assessment of certain homestead property; authorizing abatements;"

Page 1, line 7, after the semicolon, insert "changing dates for board of equalization meetings and filing of corrected assessment lists; clarifying levy limit provisions;"

Page 1, line 11, after the semicolon, insert "providing for property tax appeals;"

Page 1, line 13, after the semicolon, insert "providing a credit for stockpiled ore;"

Page 1, line 16, after the semicolon, insert "authorizing issuance of capital notes by counties;"

Page 1, line 18, after "124.2131" insert ", subdivision 1"

Page 1, line 18, after "2;" insert "273.13, subdivision 19; 274.14;

274.16;"

Page 1, line 19, after "277.03;" insert "278.07; 298.031, subdivision 2;"

Page 1, line 20, after "340.601;" insert "373.01, by adding a subdivision;"

Page 1, line 22, delete "subdivision" and insert "subdivisions 7 and"

Page 1, line 22, after "273.1311;" insert "273.1315; 275.50, subdivision 5; 275.51, subdivision 3i;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was re-referred

S.F. No. 1660: A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the title as follows:

Page 1, delete lines 3 to 5 and insert "application of the energy conservation program to all structures containing dwelling units"

Page 1, line 6, delete "purpose"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was re-referred

S.F. No. 1842: A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Judiciary. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1702: A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 373.28.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 45, delete line 36

Page 46, delete lines 1 to 15

Page 68, line 31, delete "section 373.28, is" and insert "sections 373.28 and 375.29 are"

Amend the title as follows:

Page 1, line 9, delete "section 373.28" and insert "sections 373.28 and 375.29"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1451: A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 336.9-312, is amended to read:

336.9-312 [PRIORITIES AMONG CONFLICTING SECURITY INTERESTS IN THE SAME COLLATERAL.]

- (1) The rules of priority stated in other sections of this part and in the following sections shall govern when applicable: section 336.4-208 with respect to the security interests of collecting banks in items being collected, accompanying documents and proceeds; section 336.9-103 on security interests related to other jurisdictions; section 336.9-114 on consignments.
- (2) A perfected security interest in crops for new value given to enable the debtor to produce the crops during the production season and given not more than three months before the crops become growing crops by planting or otherwise takes priority over an earlier perfected security interest to the extent that such earlier interest secures obligations due more than six months before the crops become growing crops by planting or otherwise, even though the person giving new value had knowledge of the earlier security interest Sections 3 to 8 govern the priority of agricultural production input liens in relation to each other and in relation to other security interests in the same crops or livestock.
- (3) A perfected purchase money security interest in inventory has priority over a conflicting security interest in the same inventory and also has priority in identifiable cash proceeds received on or before the delivery of the inventory to a buyer if
- (a) the purchase money security interest is perfected at the time the debtor receives possession of the inventory; and

- (b) the purchase money secured party gives notification in writing to the holder of the conflicting security interest if the holder had filed a financing statement covering the same types of inventory (i) before the date of the filing made by the purchase money secured party, or (ii) before the beginning of the 21 day period where the purchase money security interest is temporarily perfected without filing or possession (subsection (5) of section 336.9-304); and
- (c) the holder of the conflicting security interest receives the notification within five years before the debtor receives possession of the inventory; and
- (d) the notification states that the person giving the notice has or expects to acquire a purchase money security interest in inventory of the debtor, describing such inventory by item or type.
- (4) A purchase money security interest in collateral other than inventory has priority over a conflicting security interest in the same collateral or its proceeds if the purchase money security interest is perfected at the time the debtor receives possession of the collateral or within 20 days thereafter.
- (5) In all cases not governed by other rules stated in this section (including cases of purchase money security interests which do not qualify for the special priorities set forth in subsections (3) and (4) of this section), priority between conflicting security interests in the same collateral shall be determined according to the following rules:
- (a) Conflicting security interests rank according to priority in time of filing or perfection. Priority dates from the time a filing is first made covering the collateral or the time the security interest is first perfected, whichever is earlier, provided that there is no period thereafter when there is neither filing nor perfection.
- (b) so long as conflicting security interests are unperfected, the first to attach has priority.
- (6) For the purposes of subsection (5) a date of filing or perfection as to collateral is also a date of filing or perfection as to proceeds.
- (7) If future advances are made while a security interest is perfected by filing, the taking of possession, or under section 336.8-321 on securities, the security interest has the same priority for the purposes of subsection (5) with respect to the future advances as it does with respect to the first advance. If a commitment is made before or while the security interest is so perfected, the security interest has the same priority with respect to advances made pursuant thereto. In other cases a perfected security interest has priority from the date the advance is made.
 - Sec. 2. Minnesota Statutes 1982, section 386.42, is amended to read:
- 386.42 [ABSTRACT OF MORTGAGES AND LIENS ON GRAIN CROPS FOR ELEVATOR COMPANIES.]

Any elevator company or grain buyer doing business in this state may annually make written application to the county recorder for an abstract of all designated mortgages and liens upon grains grown during the year within the filed with the county recorder. The application shall state the name and the post office address of the company and be accompanied by a fee. The fee

shall be determined by resolution of the county board upon the recommendation of the county recorder based upon the estimated cost of providing the service.

Sec. 3. [514.950] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 3 to 8.

- Subd. 2. [AGRICULTURAL CHEMICAL.] "Agricultural chemical" means fertilizers or agricultural chemicals that are applied to crops or land that is used for raising crops, including fertilizer material, plant amendment, plant food, and soil amendment as defined in section 17.713, and pesticide and plant regulator as defined in section 18A.21.
- Subd. 3. [AGRICULTURAL PRODUCTION INPUT.] "Agricultural production input" means crop production inputs and livestock production inputs.
- Subd. 4. [CROP PRODUCTION INPUT.] "Crop production input" means agricultural chemicals, seeds, petroleum products, the custom application of agricultural chemicals and seeds, and labor used in preparing the land for planting, cultivating, growing, producing, harvesting, drying, and storing crops or crop products.
- Subd. 5. [FEED.] "Feed" means commercial feeds, feed ingredients, mineral feeds, drugs, animal health products, or customer-formula feeds that are used for feeding livestock, including commercial feed as defined in section 25.33.
- Subd. 6. [LETTER OF CREDIT.] "Letter of credit" means a binding, irrevocable and unconditional agreement by a financial institution to honor drafts or other demands for payment.
- Subd. 7. [LIVESTOCK PRODUCTION INPUT.] "Livestock production input" means feed and labor used in raising livestock.
- Subd. 8. [PERSON.] "Person" means an individual or an organization as defined in section 336.1-201, paragraph (30).
- Subd. 9. [PETROLEUM PRODUCT.] "Petroleum product" means motor fuels and special fuels that are used in the production of crops and livestock, including petroleum products as defined in section 296.01, alcohol fuels, propane, lubes, and oils.
- Subd. 10. [PROCEEDS.] "Proceeds" means proceeds as defined in section 336.9-306 except that if rights or duties are contingent upon express language in a financing statement, the requisite language may exist in a lien statement under section 5, and includes farm products, inventory, warehouse receipts, and documents of title.
- Subd. 11. [SEED.] "Seed" means agricultural seeds that are used to produce crops, including agricultural seed as defined in section 21.47.
- Subd. 12. [SUPPLIER.] "Supplier" means a person who furnishes agricultural production inputs.
- Sec. 4. [514.952] [AGRICULTURAL INPUT LIEN; REQUIREMENTS; PRIORITY.]

- Subdivision 1. [NOTIFICATION OF AN AGRICULTURAL PRODUCTION INPUT LIEN.] A supplier may notify a lender of an agricultural production input lien by certified letter or by another verifiable method a liennotification statement to the lender. A lien-notification statement must be delivered to lender in an envelope that states "IMPORTANT LEGAL NOTICE."
- Subd. 2. [LIEN-NOTIFICATION STATEMENT.] The lien-notification statement must disclose the following:
- (1) the name and business address of any lender designated as a lender providing a line of credit;
 - (2) the name and address of the person claiming the lien;
- (3) a description and the date or anticipated date of the transaction and the retail cost of the agricultural production input that was furnished;
- (4) the name, residential address, and signature of the person to whom the agricultural production input was furnished;
- (5) the name and residential address of the owner and the legal description or the location of the real property where the crops to which the lien attaches are growing or are to be grown; or for a lien attaching to livestock, the name and residential address of the owner of the livestock, the location where the livestock will be raised, and a description of the livestock; and
- (6) A statement that products and proceeds of the crops or livestock are covered by the agricultural input lien.
- Subd. 3. [RESPONSE OF LENDER TO NOTIFICATION.] Within ten calendar days after receiving a lien-notification statement, the lender must respond to the supplier with either:
 - (1) a letter of credit; or
 - (2) a written refusal to issue a letter of credit.
- Subd. 4. [EFFECT OF RESPONSE.] (a) If a lender responds with a letter of credit, the supplier may not obtain a lien for the amount stated in the letter of credit.
- (b) If a lender responds with a refusal to provide a letter of credit, the supplier may obtain a lien for the unpaid retail cost of the agricultural production input.
- Subd. 5. [EFFECT OF NO RESPONSE.] If a lender does not respond to the supplier within ten calendar days after receiving the lien-notification statement, an agricultural production input lien corresponding to the lien-notification statement has priority over any security interest of the lender in the same crops or livestock or their proceeds for the lesser of:
 - (1) the amount stated in the lien-notification statement; or
- (2) the unpaid retail cost of the agricultural production input identified in the lien-notification statement.
- Subd. 6. [LIEN PRIORITY.] An agricultural production input lien does not have priority over liens that arise under chapter 395 or 514, or over perfected security interests for unpaid rent for the land where the crops were

grown. Perfected agricultural production input liens have priority in the order that the lien-notification statements are filed with the filing officer.

Sec. 5. [514.954] [LIEN ATTACHMENT.]

Subdivision 1. [LIEN ON CROPS.] A supplier who furnishes crop production inputs has an agricultural input lien for the unpaid retail cost of the crop production inputs. The lien attaches to: (1) the existing crops upon the land where a furnished agricultural chemical was applied, or if no crops exist, to the next production crop within 16 months following the last date on which the agricultural chemical was applied; (2) the crops produced from furnished seed; or (3) the crops produced, harvested, or processed using a furnished petroleum product. If the crops are grown on leased land and the lease provides for payment in crops, the lien does not attach to the lessor's portion of the crops. The lien continues in crop products and proceeds, except that the lien does not continue in grain after a cash sale under section 223.16.

Subd. 2. [LIEN ON LIVESTOCK.] A supplier who furnishes livestock production inputs has an agricultural production input lien for the unpaid retail cost of the livestock production input. The lien attaches to all livestock consuming the feed and continues in livestock products and proceeds. A perfected agricultural production input lien that attaches to livestock is for the amount that is the greater of: (1) the difference between the fair market value of the livestock at the time the lien attaches and the sale price, or (2) the difference between the acquisition price of the livestock and the sale price.

Sec. 6. [514.956] [PERFECTION OF LIEN; FILING.]

Subdivision 1. [PERFECTION.] To perfect an agricultural production input lien, the lien must attach and the supplier entitled to the lien must file a verified lien-notification statement with the appropriate filing office under section 336.9-401 by six months after the last date that the agricultural production input was furnished.

- Subd. 2. [FAILURE TO PERFECT.] An agricultral production input lien that is not perfected has the priority of an unperfected security interest under section 336.9-312.
- Subd. 3. [DUTIES OF FILING OFFICER.] The filing officer shall enter on the lien-notification statement the time of day and date of filing. The filing officer shall note the filing of a lien-notification statement under this section in the manner provided by section 336.9-403 for a financing statement.

Sec. 7. [514.958] [ENFORCEMENT OF LIEN.]

The holder of an agricultural production input lien may enforce the lien in the manner provided in sections 336.9-501 to 336.9-508 subject to section 550.17. For enforcement of the lien, the lienholder is the secured party and the person for whom the agricultural production input was furnished is the debtor, and each has the respective rights and duties of a secured party and a debtor under sections 336.9-501 to 336.9-508. If a right or duty under sections 336.9-501 to 336.9-508 is contingent upon the existence of express language in a security agreement or may be waived by express language in a security agreement, the requisite language does not exist.

Sec. 8. [514.959] [ENFORCEMENT ACTIONS: LIEN EXTIN-

GUISHED.]

An action to enforce an agricultural production input lien may be brought in district court in a county where some part of the crop or livestock is located after the lien is perfected. A lien-notification statement may be amended, except the amount demanded, by leave of the court in the furtherance of justice. An agricultural production input lien is extinguished if an action to enforce the lien is not brought within 18 months after the date the lien-notification statement is filed.

Sec. 9. [EFFECTIVE DATE.]

This act is effective July 1, 1984, except that an agricultural input lien may not attach to crops planted before December 1, 1984."

Delete the title and insert:

"A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; and Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1532: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, section 94.343, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, after "publicly" delete "held"

Page 2, after line 15, insert:

- "Sec. 4. Minnesota Statutes 1982, section 94.349, subdivision 3, is amended to read:
- Subd. 3. The classes of state land which may be involved in a transfer of title are the same as those which may be exchanged under land exchange laws and are subject to the same limitations as are applied to state lands under land exchange laws. In addition, land subject to the public sale requirements of Minnesota Constitution, Article XI, Section 8, shall be condemned prior to any title transfer. The condemnation award must be paid and the time to appeal from the award must have expired prior to any title transfer under this section."
 - Page 2, line 16, delete "4" and insert "5"
 - Page 2, line 17, delete "Section 3 is" and insert "Sections 3 and 4 are"

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 6, before the period, insert "; and 94.349, subdivision 3"

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1627: A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1794: A bill for an act relating to waters; legislative approval of a certain diversion by the North Kittson Rural Water District.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "DIVERSION" and insert "PROVISION" and delete "WATERS" and insert "WATER"

Page 1, line 8, delete "the diversion of"

Page 1, line 9, delete "water by" and delete "for sale" and insert "to provide water"

Page 1, line 11, after "approval" insert "for this provision of water" and delete "hereby" and delete the comma

Amend the title as follows:

Page 1, line 2, delete "of a certain"

Page 1, line 3, delete "diversion" and insert "to provide water to Emerson, Manitoba"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1790: A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 12 and 13

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1671: A bill for an act relating to tax-forfeited lands; modifying certain limitations on the sale of tax-forfeited land which borders on or is adjacent to certain waters; amending Minnesota Statutes 1982, section 282.018.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 24 and 25

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1789: A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "clause" and insert "paragraph"

Page 1, line 25, delete "sold" and insert "offered for public sale"

Page 2, line 1, delete "as" and insert "in the manner"

Page 2, line 1, delete "this clause" and insert "paragraph (a) for sales by the commissioner of administration" and delete everything after the period

Page 2, delete lines 2 to 9 and delete lines 15 and 16

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1669: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands and interests in land acquired for trail purposes which are no longer needed for trail purposes and which are located in certain cities.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after "Madison" insert "Lake"

Page 1, line 24, after "Madison" insert "Lake"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources,

to which was referred

S.F. No. 1670: A bill for an act relating to natural resources; allocating proceeds of sales of certain surplus state lands to a land acquisition account; appropriating money; amending Minnesota Statutes 1982, sections 84.085; 84A.53; 84A.54; and 94.16.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, lines 16 to 19, delete the new language
- Page 1, line 21, after the period, insert "Lands and interests in lands so received may be sold or exchanged as provided in chapter 94."

Pages 2 and 3, delete sections 4 and 5 and insert:

- "Sec. 4. Minnesota Statutes 1982, section 94.16, is amended to read:
- 94.16 [FUNDS, HOW DISPOSED OF DISPOSITION OF PROCEEDS FROM SURPLUS STATE OWNED LAND.]

Subdivision 1. [PAYMENT OF EXPENSES.] All moneys Money received from the sale of such lands or lots surplus state owned land shall be credited to the general fund of the state, except that as provided in this section.

- Subd. 2. [PAYMENT OF EXPENSES.] A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property saleable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.
- Subd. 3. [PROCEEDS FROM NATURAL RESOURCES LAND.] The remainder of the proceeds from the sale of lands that were under the control and supervision of the commissioner of natural resources shall be credited to the land acquisition account.

Sec. 5. [94.165] [LAND ACQUISITION ACCOUNT.]

There is created in the state treasury a land acquisition account. Subject to appropriation by law, money in the account is available to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A.

Sec. 6. [EFFECTIVE DATE.]

This act is effective July 1, 1984."

Amend the title as follows:

- Page 1, line 4, delete "appropriating money" and insert "changing the allocation of proceeds from certain tax forfeited lands; creating a land acquisition account"
- Page 1, line 6, before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 94"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which

was referred

S.F. No. 1934: A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 23, delete "The" and insert "A"
- Page 1, line 23, after "zone" insert "which is located in a city of the third or fourth class"
- Page 3, line 11, after "reservation" insert "; except that, in the case of two or more cities seeking designation of an enterprise zone under a joint exercise of power pursuant to section 471.59, the minimum population required by this provision shall not exceed the sum of the populations of those cities"
 - Page 4, line 20, delete "103(b)(6)(0)(2)" and insert "103(b)(0)(ii)"
- Page 7, line 9, delete "at the 20 and 21.5 percent rates" and insert "as employment property"
- Page 7, line 10, after "9," insert "or for a tax reduction pursuant to section 273.1314, subdivision 9,"

Page 8, after line 10, insert:

- "Sec. 7. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 7, is amended to read:
- Subd. 7. [LIMITATIONS; NUMBER OF DESIGNATIONS.] (a) In each of the years 1983 and 1984, the commissioner shall designate at least two but not more than five areas as enterprise zones. No designations shall be made after December 31, 1984.
- (b) No more than one area may be designated as an enterprise zone in any county, except that two areas may be designated in a county containing a city of the first class.
- (c) No more than one area two areas in a congressional district may be designated as an enterprise zone in any calendar year 1984.

This subdivision shall not apply to enterprise zones designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (2) or (3)."

Page 10, line 25, delete "103(b)(6)(O)(1)" and insert "103(b)(6)(O)(i)"

Pages 10 and 11, delete section 9

- Page 12, line 19, after the period, insert "Any amount repaid to the municipality must be used by the municipality for economic development purposes."
- Page 12, line 24, after "zone" insert "or of an area or areas designated pursuant to section 273.1314, subdivision 9, paragraph (e)" and after the period, insert "Boundaries of a zone may not be amended to create noncon-

tiguous subdivisions."

Page 13, line 2, after "after the" insert "calendar"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "6," insert "7,"

Page 1, line 9, delete "subdivisions" and insert "a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1402: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, after the stricken "or" delete the comma and insert "and" and after "replacement" strike the comma

Page 1, line 21, delete the new language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1858: A bill for an act relating to crimes; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, section 609.487, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1336: A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; authorizing chemical testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; amending Minnesota Statutes 1982, section 169.123, subdivisions 2, as amended; 5a; 6, as amended; and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 1, is amended to read:

Subdivision 1. [DRIVER TO STOP.] The driver of any vehicle involved in

an accident resulting in *immediately demonstrable* bodily injury to or death of any person shall immediately stop the vehicle at the scene of the accident, or as close to the scene as possible, but shall then return to and in every event, shall remain at, the scene of the accident until he has fulfilled the requirements of this chapter as to the giving of information. The stop shall be made without unnecessarily obstructing traffic.

- Sec. 2. Minnesota Statutes 1982, section 169.09, subdivision 4, is amended to read:
- Subd. 4. [COLLISION WITH UNATTENDED VEHICLE.] The driver of any vehicle which collides with and damages any vehicle which is unattended shall immediately stop and either locate and notify the driver or owner of the vehicle of the name and address of the driver and owner of the vehicle striking the unattended vehicle, shall report the same to a police officer, or shall leave in a conspicuous place in *or secured to* the vehicle struck a written notice giving the name and address of the driver and of the owner of the vehicle doing the striking.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 14, is amended to read:
- Subd. 14. [PENALTIES.] (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident under the following circumstances is punishable as follows:
- (1) If the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$5,000, or both; or
- (2) If the accident results in substantial bodily injury harm to any person, as defined in section 609.02, subdivision 87a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$3,000, or both.
- (b) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 and who did not eause the accident or who violates subdivision 2 is guilty of a gross misdemeanor, and may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$1,000 \$3,000, or both.
- (c) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.
- (d) Any person who violates subdivision 3, clause (a), or subdivision 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 169.09, subdivision 15, is amended to read:
- Subd. 15. [DEFENSE.] It is an affirmative defense to prosecution under subdivisions 1, 2, and 6 that the driver left the scene of the accident to take any person suffering substantial immediately demonstrable bodily injury in

the accident to receive emergency medical care if the driver of the involved vehicle gives notice to a law enforcement agency as required by subdivision 6 as soon as reasonably feasible after the emergency medical care has been undertaken.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3, is amended to read:
- Subd. 3. [CRIMINAL PENALTIES.] A person who violates this section or an ordinance in conformity with it is guilty of a misdemeanor.

The following persons are guilty of a gross misdemeanor:

- (a) A person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.129, or an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with it either of them; and
- (b) A person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.129, or an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with it either of them.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

- Sec. 6. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:
- Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity with it; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was offered.
- (b) Any person who is required to submit to a test under this subdivision and who refuses to submit to the test is guilty of a misdemeanor and, upon conviction, shall be punished in the same manner as if convicted of violation of section 169.121, subdivision 1, and shall be subject to the criminal penalties of section 169.121, subdivision 3.
 - (c) At the time a chemical test specimen is requested, the person shall be

informed:

- (1) that Minnesota law requires the person to take a test to determine if the person is under the influence of alcohol or a controlled substance;
- (1) (2) that if testing is refused, the person will be subject to criminal penalties and the person's right to drive will be revoked for a minimum period of six months one year;
- (2) (3) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a minimum period of 90 days;
- (3) that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and
- (4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing; and
- (5) that if he refuses to take a test, the refusal will be offered into evidence against him at trial.
- (d) The peace officer who requires a test pursuant to this subdivision may direct whether the test shall be of blood, breath, or urine. However, if the officer directs that the test shall be of a person's blood or urine, the person may choose whether the test shall be of his blood or urine.
- Sec. 7. Minnesota Statutes 1982, section 169.123, is amended by adding a subdivision to read:
- Subd. 2b. [CONSENT OF PERSON INCAPABLE OF REFUSAL NOT WITHDRAWN.] A person who is unconscious or who is otherwise in a condition rendering the person incapable of refusal is deemed not to have withdrawn the consent provided by subdivision 2 and the test may be given.
- Sec. 8. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:
- Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit chemical testing, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months one year. Upon certification by the peace officer that there existed

reasonable and probable grounds to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of 90 days.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

- Sec. 9. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:
- Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer offering requiring a chemical test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit chemical testing or on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.
- Sec. 10. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6, is amended to read:
- Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.

The scope of the hearing shall be limited to the issues of:

(1) whether the peace officer had reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of

0.10 or more; and

- (2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and
- (3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the petitioner to prove that, at the time of the refusal, his refusal to permit the test was based upon reasonable grounds.

Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing. If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

Sec. 11. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 1, is amended to read:

Subdivision 1. [RESULTING IN DEATH.] Whoever, as a result of operating a vehicle as defined in section 169.01, subdivision 2, or an aircraft or watercraft, in a grossly negligent manner, or in a negligent manner while under the influence of alcohol or a controlled substance as defined in section 169.121, subdivision 1, causes the death of a human being not constituting murder or manslaughter is guilty of criminal vehicular operation resulting in death and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both. Whoever causes the death of a human being not constituting murder or manslaughter as a result of operating a vehicle as defined in section 169.01, subdivision 2, or an aircraft or watercraft,

- (1) in a grossly negligent manner;
- (2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or
- (3) in a negligent manner while having an alcohol concentration of 0.10 or more,

is guilty of criminal vehicular operation resulting in death and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.

- Sec. 12. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 2, is amended to read:
- Subd. 2. [RESULTING IN INJURY.] Whoever, as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft, in a grossly negligent manner, or in a negligent manner while under the influence

of alcohol or a controlled substance as defined in section 169.121, subdivision 1, causes great bodily harm to another, as defined in section 609.02, subdivision 8, not constituting attempted murder or assault is guilty of criminal vehicular operation resulting in injury and may be sentenced to imprisonment for not more than three years or the payment of a fine of not more than \$3,000 or both. Whoever causes great bodily harm to another, as defined in section 609.02, subdivision 8, not constituting attempted murder or assault as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,

- (1) in a grossly negligent manner;
- (2) in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or
- (3) in a negligent manner while having an alcohol concentration of 0.10 or more,

is guilty of criminal vehicular operation resulting in injury and may be sentenced to imprisonment for not more than three years or the payment of a fine of not more than \$3,000, or both.

Sec. 13. [634.17] [ADMISSION INTO EVIDENCE FOR IMPEACHMENT PURPOSES OF CERTAIN CONVICTIONS FOR DRIVING OFFENSES.]

Notwithstanding section 169.94, subdivision 2, in any hearing or trial of a felony driving offense, the court may admit evidence of a person's previous conviction for a driving offense involving the use of alcohol or a controlled substance for the purpose of impeaching that person if the court finds that:

- (a) The probative value of the conviction substantially outweighs its inflammatory or prejudicial effect;
- (b) The use of alcohol or a controlled substance is an element of the charged offense or is relevant to a fact that is at issue in the case;
- (c) The accused person has been served notice pursuant to Rule 7 or Rule 9 of the Rules of Criminal Procedure; and
- (d) The previous conviction occurred within ten years of the charged offense.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 13 are effective August 1, 1984, and apply to offenses committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crime; providing for criminal penalties and a one year driver's license revocation upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a test; authorizing testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; clarifying provisions of the hit and run law; clarifying penalties imposed on certain persons convicted of driving while under the influence of alcohol or a controlled substance; prescribing penalties for causing death or injury of another while operating a vehicle in a certain manner; providing for admission into evidence of certain convictions

for driving offenses for impeachment purposes; amending Minnesota Statutes 1982, sections 169.09, subdivision 4; 169.123, subdivisions 4 and 5a, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, sections 169.09, subdivisions 1, 14, and 15; 169.121, subdivision 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, chapter 634."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

H.F. No. 1456: A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "realtor" and insert "licensed real estate agent"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1825: A bill for an act relating to Otter Tail County; authorizing the county board to adopt an ordinance for the control of dogs and cats.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1831: A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "shall" and insert "may"

Page 1, line 16, after the stricken word, insert "up to"

Page 1, line 21, delete "subdivision 3,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1477: A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982,

sections 176.061, by adding subdivisions; 176.221, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivision 1, and by adding a subdivision; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 176.041, subdivision 1; 176.051, subdivisions 2 and 3; 176.101, subdivision 3t; 176.103, subdivision 2, and by adding a subdivision; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.221, subdivisions 1 and 3; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 3, and 8; 176.421, subdivision 7; 176.442; and 176.66, subdivision 11; repealing Minnesota Statutes 1983 Supplement, sections 176.051, subdivision 4; and 176.129, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

Section 1. [INTENT.]

The legislature finds that certain provisions enacted in 1983 relating to workers' compensation coverage of injuries or damages incurred while participating in ridesharing arrangements have created confusion among employers, employees, insurance carriers, and the public because of their ambiguous nature and their uncertain effect on the underlying premises of employer liability and workers' compensation law. The legislature also finds that the provisions have not had the intended effect of encouraging employers to promote ridesharing arrangements, but that they have had the opposite effect instead. While the provisions that were enacted were not intended to increase the scope of employer liability for travel by employees to and from work, it is feared that that interpretation may someday be given to the provisions. Therefore, the legislature seeks to clarify the meaning of those provisions and, by repealing them, to underscore its intent that the underlying law of employer liability and workers' compensation regarding employee travel to and from work is unaltered by the provisions enacted in 1983.

Sec. 2. Minnesota Statutes 1983 Supplement, section 79.34, subdivision 1, is amended to read:

Subdivision 1. A nonprofit association known as the workers' compensation reinsurance association is created, which may be incorporated under chapter 317 with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.40 or any amendments thereto, sections 79.34 to 79.40 shall govern. Each insurer as defined by section 79.01, subdivision 2, shall as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and shall be bound by the plan of operation of the reinsurance association; provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association. Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and shall be bound by its plan of operation; provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association. As a condition of its authority to self-insure workers' compensation liability, and for losses incurred on or after January 1, 1984, the state shall be a member of the reinsurance association and is bound by its plan of operation. The commissioner of labor and industry represents the state in the exercise of all the rights and duties of membership in the reinsurance association. The state treasurer shall pay the premium to the reinsurance association from the state compensation revolving fund upon warrants of the commissioner of labor and industry. For the purposes of this section "state" means the administrative branch of state government, the legislative branch, the judicial branch, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund. The commissioner of finance may calculate, prorate, and charge a department or agency the portion of premiums paid to the reinsurance association for employees who are paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The reinsurance association is not a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of insurance with respect to the reinsurance association are not subject to chapters 13, 14, and 15. The reinsurance association is exempt from taxation under the laws of this state and all property owned by the association is exempt from taxation. The reinsurance association is not obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

Sec. 3. Minnesota Statutes 1983 Supplement, section 176.041, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to a person employed by a common carrier by railroad engaged in interstate or foreign commerce and who is covered by the Federal Employers' Liability Act, United States Code, title 45, sections 51 to 60, or other comparable federal law; to a person employed by a family farm as defined by section 176.011, subdivision 11a, or the spouse, parent, and child, regardless of age, of a farmer-employer working for the farmer-employer; to a partner engaged in a farm operation or a partner engaged in a business and the spouse, parent, and child, regardless of age, of a partner in the farm operation or business; to an executive officer of a family farm corporation; to an executive officer of a closely held corporation referred to in section 176.012; to a spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 2, and employed by that family farm corporation; to a spouse, parent, or child, regardless of age, of an executive officer of a closely held corporation referred to in section 176.012; to another farmer or to a member of the other farmer's family exchanging work with the farmer-employer or family farm corporation operator in the same community; to a person whose employment at the time of the injury is casual and not in the usual course of the trade, business, profession, or occupation of the employer; persons who are independent contractors as defined by rules adopted by the commissioner pursuant to section 176.83 except that this exclusion does not apply to an employee of an independent contractor; nor does this chapter apply to an officer or a

member of a veterans' organization whose employment relationship arises solely by virtue of attending meetings or conventions of the veterans' organization, unless the veterans' organization elects by resolution to provide coverage under this chapter for the officer or member.

Neither does the chapter apply to a person employed as a household worker in, for, or about a private home or household who earns less than \$500 in cash in a three-month period from a single private home or household provided that a household worker who has earned \$500 or more from the household worker's present employer in a three-month period within the previous year is covered by this chapter regardless of whether or not the household worker has earned \$500 in the present quarter.

This chapter does not apply to those persons employed by a corporation if those persons are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to the officers of the corporation, and if the corporation files a written election with the commissioner to have those persons excluded from this chapter except that a written election is not required for a person who is otherwise excluded from this chapter by this section.

This chapter does not apply to a nonprofit association which does not pay more than \$500 in salary or wages in a year.

This chapter does not apply to persons covered under the Domestic Volunteer Service Act of 1973, as amended, 42 U.S.C. sections 5011, et. seq.

This chapter does not apply to employees injured while participating in a ridesharing arrangement as defined in section 169.01, subdivision 63, between the employee's residence and place of employment or terminus near the place of employment. This chapter does apply if the employer elects to assume liability coverage under this chapter for persons injured while participating in ridesharing arrangements as outlined in section 176.051, subdivision 3.

Sec. 4. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 176.051, subdivisions 2, 3, and 4 are repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 3 are effective retroactively to June 10, 1983 except for the provision in section 3 regarding coverage of persons under 42 U.S.C., sections 5011, et seq., which is effective the day following final enactment.

ARTICLE 2

MISCELLANEOUS CHANGES

Section 1. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3a, is amended to read:

Subd. 3a. [ECONOMIC RECOVERY COMPENSATION.] If an employee is not eligible for an impairment award pursuant to subdivision 3b, then the employee shall receive economic recovery compensation for a permanent partial disability pursuant to this subdivision. The compensation shall be 66-2/3 percent of the weekly wage at the time of injury subject to a maximum equal to the statewide average weekly wage. For permanent par-

tial disability up to the percent of the whole body in the following schedule the compensation shall be paid for the proportion that the loss of function of the disabled part bears to the whole body multiplied by the number of weeks aligned with that percent.

Percent of disability	Weeks of compensation
0-25	600
26-30	640
31-35	680
36-40	720
41-45	760
46-50	800
51-55	880
56-60	960
61-65	1040
66-70	1120
71-100	1200

The percentage loss in all cases under this subdivision is determined according to the rules adopted by the commissioner pursuant to section 176.105, subdivision 4. This subdivision shall apply applies to a permanent partial disability incurred an injury which occurs on or after the adoption of those rules January 1, 1984.

Sec. 2. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3b, is amended to read:

Subd. 3b. [IMPAIRMENT COMPENSATION.] An employee who suffers a permanent partial disability due to a personal injury and receives impairment compensation under this section shall receive compensation in an amount as provided by this subdivision. For permanent partial disability up to the percent of the whole body shown in the following schedule the amount shall be equal to the proportion that the loss of function of the disabled part bears to the whole body multiplied by the amount aligned with that percent in the following schedule:

Percent of disability	Amount
0-25	\$ 75,000
26-30	80,000
31-35	85,000
36-40	90,000
41-45	95,000
46-50	100,000
51-55	120,000
56-60	140,000
61-65	160,000
66-70	180,000
71-75	200,000
76-80	240,000
81-85	280,000
86-90	320,000
91-95	360,000
96-100	400,000

For all cases under this subdivision the percentage loss of function of a part of the body is determined according to the rules adopted by the commissioner pursuant to section 176.105, subdivision 4. This subdivision shall apply ap-

plies to a permanent partial disability incurred an injury which occurs on or after the adoption of those rules January 1, 1984.

- Sec. 3. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3e, is amended to read:
- Subd. 3e. [END OF TEMPORARY TOTAL COMPENSATION.] (a) 90 days after an employee has reached maximum medical improvement or 90 days after the end of an approved retraining program, whichever is later, the employee's temporary total compensation shall cease. This cessation shall occur at an earlier date if otherwise provided by this chapter.
- (b) If during at any time prior to the end of the 90-day period described in clause (a) the employee retires or the employer furnishes work to the employee that is consistent with an approved plan of rehabilitation or, if no plan has been approved, that the employee can do in his or her physical condition and that job produces an economic status as close as possible to that the employee would have enjoyed without the disability, or the employer procures this employment with another employer or the employee accepts this job with another employer, temporary total compensation shall cease and the employee shall, if appropriate, receive impairment compensation pursuant to subdivision 3b. This impairment compensation is in lieu of economic recovery compensation under subdivision 3a, and the employee shall not receive both economic recovery compensation and impairment compensation. Temporary total compensation and impairment compensation shall not be paid concurrently. Once temporary total compensation ceases no further temporary total compensation is payable except as specifically provided by this section.
- (c) Upon receipt of a written medical report indicating that the employee has reached maximum medical improvement, the employer or insurer shall serve a copy of the report upon the employee and shall file a copy with the division. The beginning of the 90-day period shall commence on the day this report is served on the employee for the purpose of determining whether a job offer consistent with the requirements of this subdivision is made. A job offer may be made before the employee reaches maximum medical improvement.
- (e) (d) The job which is offered or procured by the employer or accepted by the employee under clause (b) does not necessarily have to commence immediately but shall commence within a reasonable period after the end of the 90-day period described in clause (a). Temporary total compensation shall not cease under this subdivision until the job commences.
- (d) (e) If the job offered under clause (a) is not the job the employee had at the time of injury it shall be offered in writing and shall state the nature of the job, the rate of pay, the physical requirements of the job, and any other information necessary to fully and completely inform the employee of the job duties and responsibilities.

The employee has 14 calendar days to accept or reject the job offer. If the employee does not respond within this period it is deemed a refusal of the offer. Where there is an administrative conference to determine suitability under section 176.242, the period begins to run on the date of the commissioner's decision.

(e) (f) Self-employment may be an appropriate job under this subdivision.

The commissioner shall monitor application of this subdivision and may adopt rules to assure its proper application.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3g, is amended to read:
- Subd. 3g. [ACCEPTANCE OF JOB OFFER.] If the employee accepts a job offer described in subdivision 3e and the employee begins work at that job, although not necessarily within the 90-day period specified in that subdivision, the impairment compensation shall be paid in a lump sum 30 calendar days after the employee actually commences work if the employment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3i, is amended to read:
- Subd. 3i. [LAY OFF BECAUSE OF LACK OF WORK OR RELEASED FOR OTHER THAN SEASONAL CONDITIONS.] (a) If an employee accepts a job under subdivision 3e and begins work at that job and is subsequently unemployed at that job because of economic conditions, other than seasonal conditions, the employee shall receive monitoring period compensation pursuant to clause (b). In addition, the employer who was the employer at the time of the injury shall provide rehabilitation consultation by a qualified rehabilitation consultant if the employee remains unemployed for 45 calendar days. The commissioner may waive this rehabilitation consultation if the commissioner deems it appropriate. Further rehabilitation, if deemed appropriate, is governed by section 176.102.
- (b) Upon the employee's initial return to work the monitoring period begins to run. If the employee is unemployed for the reason in clause (a), prior to the end of the monitoring period the employee shall receive monitoring period compensation. This compensation shall be paid for the lesser of (1) the weeks remaining in the monitoring period, or (2) the weeks equal to the monitoring period minus the impairment compensation paid to the employee. For purposes of this clause the impairment compensation shall be converted to weeks by dividing the impairment compensation received by the employee by the employee's compensation rate for temporary total disability at the time of the injury. No monitoring period compensation is payable if the unemployment occurs after the expiration of the monitoring period. Monitoring period compensation is payable at the same intervals and in the same amount as when temporary total compensation ceased.
- (c) Compensation under this subdivision shall not be escalated pursuant to section 176.645.
- (e) (d) If the employee returns to work and is still receiving monitoring period compensation, this compensation shall cease. Any period remaining in the monitoring period upon this return to work shall be used to determine further benefits if the employee is again unemployed under clause (a).
- (d) (e) Upon the employee's return to work pursuant to this section the insurer shall notify the employee of the length of the employee's monitoring period and shall notify the employee of the amount of impairment to be paid and the date of payment.
 - Sec. 6. Minnesota Statutes 1983 Supplement, section 176.101, subdivision

3j, is amended to read:

- Subd. 3j. [MEDICALLY UNABLE TO CONTINUE WORK.] (a) If the employee has started the job offered under subdivision 3e and is medically unable to continue at that job because of the permanent partial disability injury, that employee shall receive temporary total compensation pursuant to clause (b). In addition, the employer who was the employer at the time of the injury shall provide rehabilitation consultation by a qualified rehabilitation consultant. Further rehabilitation, if deemed appropriate, is governed by section 176.102.
- (b) Temporary total compensation shall be paid for up to 90 days after the employee has reached maximum medical improvement or 90 days after the end of an approved retraining plan, whichever is later. The temporary total compensation shall cease at any time within the 90-day period that the employee begins work meeting the requirements of subdivision $3e \ or \ 3f$. If no job is offered to the employee by the end of this 90-day period, the employee shall receive economic recovery compensation pursuant to this section but reduced by the impairment compensation previously received by the employee for the same disability.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 31, is amended to read:
- Subd. 31. [FAILURE TO ACCEPT JOB OFFER.] If the employee has been offered a job under subdivision 3e and has refused the offer, the impairment compensation shall not be paid in a lump sum but shall be paid in the same interval and amount that temporary total compensation was initially paid. This compensation shall not be escalated pursuant to section 176.645. Temporary total compensation shall cease upon the employee's refusal to accept the job offered and no further or additional temporary total compensation is payable for that injury. The payment of the periodic impairment compensation shall cease when the amount the employee is eligible to receive under subdivision 3b is reached, after which time the employee shall not receive additional impairment compensation or any other compensation under this chapter unless the employee has a greater permanent partial disability than already compensated for.
- Sec. 8. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3m, is amended to read:
- Subd. 3m. [RETURN TO WORK AFTER REFUSAL OF JOB OFFER.] If the employee has refused the job offer under subdivision 3e and is receiving periodic impairment compensation and returns to work at another job, the employee shall receive the remaining impairment compensation due, in a lump sum, 30 days after return to work if the employment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 30, is amended to read:
- Subd. 3o. [INABILITY TO RETURN TO WORK.] (a) An employee who is permanently totally disabled pursuant to subdivision 5 shall receive impairment compensation as determined pursuant to subdivision 3b. This compensation is payable in addition to permanent total compensation pursuant to

subdivision 4 and is payable concurrently. In this case the impairment compensation shall be paid in the same intervals and amount as the permanent total compensation is was initially paid, and the impairment compensation shall cease when the amount due under subdivision 3b is reached. If this employee returns to work at any job during the period the impairment compensation is being paid, the remaining impairment compensation due shall be paid in a lump sum 30 days after the employee has returned to work and no further temporary total compensation shall be paid.

- (b) If an employee is receiving periodic economic recovery compensation and is determined to be permanently totally disabled no offset shall be taken against future permanent total compensation for the compensation paid and no permanent total weekly compensation is payable for any period during which economic recovery compensation has already been paid. No further economic recovery compensation is payable even if the amount due the employee pursuant to subdivision 3a has not yet been reached.
- (c) An employee who has received periodic economic recovery compensation and who meets the criteria under clause (b) of this subdivision shall receive impairment compensation pursuant to clause (a) of this subdivision even if the employee has previously received economic recovery compensation for that disability.
- (d) Rehabilitation consultation pursuant to section 176.102 shall be provided to an employee who is permanently totally disabled.
- Sec. 10. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3q, is amended to read:
- Subd. 3q. [METHOD OF PAYMENT OF ECONOMIC RECOVERY COMPENSATION.] (a) Economic recovery compensation is payable at the same intervals and in the same amount as temporary total compensation was initially paid. If the employee returns to work and the economic recovery compensation is still being paid, the remaining economic recovery compensation due shall be paid in a lump sum 30 days after the employee has returned to work if the employment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.
- (b) Periodic economic recovery compensation paid to the employee shall not be adjusted pursuant to section 176.645.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3r, is amended to read:
- Subd. 3r. [PAYMENT OF COMPENSATION AT DEATH.] If an employee receiving economic recovery compensation or impairment compensation in periodic amounts dies during the period from causes unrelated to the injury, the compensation shall be paid in the following manner:
- (a) If the deceased employee leaves a dependent surviving spouse and no dependent children, as defined by section 176.111, subdivision 1, the spouse shall receive the periodic economic recovery or impairment compensation that the deceased was receiving before the death. This compensation shall be paid for a period of up to ten years after the date of death at which time payments and future entitlement to it ceases.

- (b) If the deceased employee leaves a dependent spouse and dependent children, as defined in section 176.111, subdivision 1, the periodic economic recovery or impairment compensation shall continue to be paid to the surviving spouse for up to ten years after the last child is no longer dependent after which time payments and future entitlement to the compensation ceases.
- (c) If the deceased employee leaves a dependent child, as defined by section 176.111, and no dependent spouse, the periodic economic recovery or impairment compensation shall continue to be paid to the child until the child is no longer dependent or until the amount to which the employee was entitled to receive is exhausted, whichever is later.
- (d) Payment of compensation under this subdivision shall cease prior to the end of the ten-year periods in this subdivision if the amount to which the employee is entitled to receive under subdivision 3, 3a, or 3b, is reached prior to the end of the ten-year period except as provided in clause (c). If the deceased employee is not survived by dependent children or a dependent spouse as defined in section 176.111, no further economic recovery compensation or impairment compensation is payable to any person under this subdivision.
- (d) (e) If the death results from the injury, the payment of economic recovery compensation or impairment compensation shall cease upon the death and in lieu thereof death benefits are payable pursuant to section 176.111.
- Sec. 12. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3t, is amended to read:
- Subd. 3t. [MINIMUM ECONOMIC RECOVERY COMPENSATION.] (a) Economic recovery compensation pursuant to this section shall be at least 120 percent of the impairment compensation the employee would receive if that compensation were payable to the employee. The monitoring period shall be at least 120 percent of the weeks during which impairment compensation would be payable if paid weekly.
- (b) Where an employee who has suffered a personal injury for which temporary total compensation is payable but which produces no permanent partial disability and the employee is unable to return to his former employment for medical reasons attributable to the injury, the employee shall receive 26 weeks of economic recovery compensation if no job is offered within the time specified in and meeting the criteria of subdivision 3e. This paragraph shall not be used to determine monitoring period compensation under subdivision 3i and shall not be a minimum for determining the amount of compensation when an employee has suffered a permanent partial disability.
- Sec. 13. Minnesota Statutes 1983 Supplement, section 176.102, subdivision 3a, is amended to read:
- Subd. 3a. [REVIEW PANEL APPEALS.] Appeals to the review panel shall be heard before a panel of five members designated by the review panel. Each five-member panel shall consist of two at least one labor members, two member, at least one employer or insurer members member, and at least one member representing medicine, chiropractic, or rehabilitation. The number of labor members and employer or insurer members on the five-member panel shall be equal. The determination of the five-member panel

shall be by a majority vote and shall represent the determination of the entire review panel and is not subject to review by the panel as a whole. When conducting a review of the commissioner's determination regarding any rehabilitation issue or plan the panel shall give the parties notice that the appeal will be heard. This notice shall be given at least ten working days prior to the hearing. The notice shall state that parties may be represented by counsel at the hearing. In conducting its review the panel shall permit an interested party to present relevant, competent, oral or written evidence and to crossexamine opposing evidence. Evidence presented is not limited to the evidence previously submitted to the commissioner. A record of the proceeding shall be made by the panel. Upon determination of the issue presented, the panel shall issue to the interested parties a written decision and order. The decision need not contain a recitation of the evidence presented at the hearing, but shall be limited to the panel's basis for the decision. The panel may adopt rules of procedure which may be joint rules with the medical services review board.

- Sec. 14. Minnesota Statutes 1983 Supplement, section 176.102, subdivision 9, is amended to read:
- Subd. 9. [PLAN, COSTS.] An employer is liable for the following rehabilitation expenses under this section:
 - (a) Cost of rehabilitation evaluation and preparation of a plan;
- (b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;
- (c) Reasonable cost of tuition, books and, travel, and custodial daycare; and, in addition, reasonable costs of board, and lodging and eustodial daycare when rehabilitation requires residence away from the employee's customary residence;
- (d) Reasonable costs of travel and custodial daycare during the job interview process;
- (e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid more than once during any rehabilitation program, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury. An employee shall not be required to relocate and a refusal to relocate shall not result in a suspension or termination of compensation under this chapter; and
 - (f) Any other expense agreed to be paid.
- Sec. 15. Minnesota Statutes 1983 Supplement, section 176.103, subdivision 3, is amended to read:
- Subd. 3. [MEDICAL SERVICES REVIEW BOARD; SELECTION; POWERS.] (a) There is created a medical services review board composed of the commissioner or the commissioner's designee as an ex officio member, two persons representing chiropractic, one person representing hospital administrators, and six medical practitioners physicians representing different specialties which the commissioner determines are the most frequently utilized by injured employees. The board shall also have one person

representing employees, one person representing employers or insurers, and one person representing the general public. The members shall be appointed by the commissioner and shall be governed by section 15.0575. Terms of the board's members may be renewed. The board shall appoint from among its clinical members a clinical advisory subcommittee on clinical quality and a clinical advisory subcommittee on clinical cost containment. Each subcommittee shall consist of at least three members one of whom shall be a member who is not a chiropractor or licensed physician.

The clinical quality subcommittee shall review clinical results for adequacy and recommend to the commissioner scales for disabilities and apportionment.

The clinical cost containment subcommittee shall review and recommend to the commissioner rates for individual clinical procedures and aggregate costs. The subcommittees shall make regular reports to the board and the commissioner which shall evaluate the reports for the purpose of determining whether or not a particular health care provider continues to qualify for payment under chapter 176 or is subject to any other sanctions or penalties authorized under this section and to determine whether an employee has been off work longer than necessary.

In evaluating the clinical consequences of the services provided to an employee by a clinical health care provider, the board shall consider the following factors in the priority listed:

- (1) the clinical effectiveness of the treatment:
- (2) the clinical cost of the treatment; and
- (3) the length of time of treatment.

In its consideration of these factors, the board shall utilize the information and recommendations developed by the subcommittees. In addition, the board shall utilize any other data developed by the subcommittees pursuant to the duties assigned to the subcommittees under this section.

After making a determination, the board shall submit its recommendation in writing to the commissioner. The board shall advise the commissioner on the adoption of rules regarding all aspects of medical care and services provided to injured employees.

(b) The board shall appoint three of its members to hear appeals from decisions of the commissioner regarding quality control and supervision of medical care; any other disputes regarding medical, surgical, and hospital care; decisions regarding the eligibility of medical providers to receive payments; or any other determinations of the commissioner pursuant to subdivision 2. The three-member panel shall be composed of one member who does not represent a health care specialty, one member who represents the same specialty as the specialty at issue or, if the same specialty is not available, one member whose specialty is as close as possible considering the board's composition, and one member representing a different specialty. The three-member panel shall conduct a hearing in the same manner, giving the same notice and following other procedures required of the rehabilitation review panel in section 176.102, subdivision 3a. A majority vote of the three-member panel constitutes the decision of the full board. This decision may be

appealed to the workers' compensation court of appeals.

- (c) In any situation where a conflict of interest prevents the appointment of a full three-member panel or in any other situation where the commissioner deems it necessary to resolve a conflict of interest, the commissioner may appoint a temporary substitute board member to serve until the situation creating the conflict of interest has been resolved.
- (d) The board may adopt rules of procedure. The rules may be joint rules with the rehabilitation review panel.
- Sec. 16. Minnesota Statutes 1983 Supplement, section 176.103, is amended by adding a subdivision to read:
- Subd. 4. [ADVISORY COUNCIL.] The commissioner shall appoint an advisory council to the medical services review board. The council shall consist of health professionals other than physicians or chiropractors who are involved in the clinical care of injured workers receiving compensation under this chapter, including but not limited to physical therapists, nurses, qualified rehabilitation consultants, psychologists, dentists, and vocational rehabilitation consultants. The terms, compensation, and removal of members, and the expiration date of the council is governed by section 15.059.
- Sec. 17. Minnesota Statutes 1983 Supplement, section 176.104, subdivision 1, is amended to read:

Subdivision 1. [DISPUTE.] If there exists a dispute regarding whether an injury arose out of and in the course and scope of employment and an employee has been disabled for the requisite time under section 176.102, subdivision 4, prior to determination of liability, the employee shall be referred by the commissioner to the division of vocational rehabilitation which shall provide rehabilitation consultation if appropriate. The services provided by the division of vocational rehabilitation and the scope and term of the rehabilitation are governed by section 176.102 and rules adopted pursuant to that section. Rehabilitation costs and services under this subdivision shall be approved, rejected, or modified monitored by the commissioner.

- Sec. 18. Minnesota Statutes 1983 Supplement, section 176.104, subdivision 2, is amended to read:
- Subd. 2. [LIABILITY FOR PAST REHABILITATION.] If liability is determined after the employee has commenced rehabilitation under this section the liable party is responsible for the cost of rehabilitation provided and approved by the commissioner. Future rehabilitation after liability is established is governed by section 176.102.
 - Sec. 19. [176.1041] [CERTIFICATION FOR FEDERAL TAX CREDIT.]

Subdivision 1. [CERTIFICATION PROGRAM.] The division of vocational rehabilitation shall establish a program authorizing qualified rehabilitation consultants and approved vendors to refer an employee to the division for the sole purpose of federal targeted jobs tax credit eligibility determination. The division shall set forth the specific requirements, procedures and eligibility criteria for purposes of this section. The division shall not be required to certify an injured employee who does not meet the eligibility requirements set forth in the federal Rehabilitation Act of 1973, as amended.

Subd. 2. [FEE.] The division is authorized to collect a fee from the quali-

fied rehabilitation consultant or approved vendor in the amount necessary to determine eligibility and to certify an employee for this program.

- Sec. 20. Minnesota Statutes 1983 Supplement, section 176.129, subdivision 3, is amended to read:
- Subd. 3. [PAYMENTS TO FUND, INJURY.] If an employee suffers a personal injury resulting in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability, or death and the employee or the employee's dependents are entitled to compensation under sections 176.101 or 176.111 the employer shall pay to the commissioner a lump sum amount, without any interest deduction, equal to 20 percent of the total compensation payable. The rate under this subdivision shall remain constant be adjusted as provided under subdivision 4a and applies to injuries occurring after June 1, 1971, and prior to January 1, 1984, for payments made on or after January 1, 1984. This payment is to be credited to the special compensation fund and shall be in addition to any compensation payments made by the employer under this chapter. Payment shall be made as soon as the amount is determined and approved by the commissioner.
- Sec. 21. Minnesota Statutes 1983 Supplement, section 176.129, subdivision 4, is amended to read:
- Subd. 4. [TIME OF INJURY.] Subdivision 3 applies to all workers' compensation payments, exclusive of medical costs, paid under sections section 176.101, 176.102, or 176.111, or 176.135, for an injury or death occurring on or after June 1, 1971, but before January 1, 1984.

Payments made for personal injuries that occurred prior to June 1, 1971, shall be assessed at the rate in effect on the date of occurrence.

- Sec. 22. Minnesota Statutes 1983 Supplement, section 176.129, is amended by adding a subdivision to read:
- Subd. 4a. [CONTRIBUTION RATE ADJUSTMENT.] In determining the rate of adjustment as provided by subdivision 3, the commissioner shall determine the revenues received less claims received for the preceding 12 months ending June 30, 1984, and each June 30 thereafter.

If the result is:	the range of adjustment is:
over \$15,000,000	-10% to 0%
less than \$15,000,000 but	•
more than \$10,000,000	-7% to $+3%$
less than \$10,000,000 but	
more than \$5,000,000	-5% to $+5%$
less than \$5,000,000	
but more than \$0	-3% to $+7%$
\$0 but less than a	
\$5,000,000 deficit	$0\% \ to \ +10\%$
more than a \$5,000,000	•
deficit	+5% to $+12%$

The adjustment under this subdivision shall be used for assessments for calendar year 1984 and each year thereafter.

An amount assessed pursuant to this section is payable to the commissioner within 45 days of mailing notice of the amount due unless the commissioner

orders otherwise.

Sec. 23. Minnesota Statutes 1983 Supplement, section 176.135, subdivision I, is amended to read:

Subdivision 1. [MEDICAL, CHIROPRACTIC, PODIATRIC, SURGI-CAL, HOSPITAL 1 The employer shall furnish any medical, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of his the employer's inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability. Orders of the commissioner of with respect to this subdivision may be reviewed by the medical services review board pursuant to section 176.103. Orders of the medical services review board with respect to this subdivision may be reviewed by the workers' compensation court of appeals on petition of an aggrieved party of pursuant to section 176.103. Orders of the court of appeals may be reviewed by writ of certiorari to the supreme court.

- Sec. 24. Minnesota Statutes 1982, section 176.135, is amended by adding a subdivision to read:
- Subd. 5. [OCCUPATIONAL DISEASE MEDICAL ELIGIBILITY.] Notwithstanding section 176.66, an employee who has contracted an occupational disease is eligible to receive compensation under this section even if the employee is not disabled from earning full wages at the work at which the employee was last employed.
- Sec. 25. Minnesota Statutes 1983 Supplement, section 176.138, is amended to read:

176.138 [MEDICAL DATA; ACCESS.]

Notwithstanding any other state laws related to the privacy of medical data or any private agreements to the contrary, the release of medical data related to a current claim for compensation under this chapter to the employee, employer, or insurer who are parties to the claim, or to the department of labor and industry, shall not require prior approval of any party to the claim. Requests for pertinent data shall be made in writing to the person or organization that collected or currently possesses the data. The data shall be provided by the collector or possessor within seven working days of receiving the request. In all cases of a request for the data, except when it is the employee who is making the request, the employee shall be sent written notification of

the request by the party requesting the data at the same time the request is made. This data shall be treated as private data by the party who requests or receives the data and the employee or the employee's attorney shall be provided with a copy of all data requested by the requester.

Medical data which is not directly related to a current injury or disability shall not be released without prior authorization of the employee.

The commissioner may impose a penalty of up to \$200 payable to the special compensation fund against a party who does not release the data in a timely manner. A party who does not treat this data as private pursuant to this section is guilty of a misdemeanor. This section applies only to written medical data which exists at the time the request is made.

Sec. 26. Minnesota Statutes 1983 Supplement, section 176.183, subdivision 1, is amended to read:

Subdivision 1. When any employee sustains an injury arising out of and inthe course of employment while in the employ of an employer, other than the state or its political subdivisions, not insured or self-insured as provided for in this chapter, the employee or the employee's dependents shall nevertheless receive benefits as provided for in this chapter from the special compensation fund, and the commissioner has a cause of action against the employer for reimbursement for all moneys paid out or to be paid out, and, in the discretion of the court, as punitive damages an additional amount not exceeding 50 percent of all moneys paid out or to be paid out. As used in this subdivision, "employer" includes officers of corporations who have legal control, either individually or jointly with another or others, of the payment of wages. An action to recover the moneys shall be instituted unless the commissioner determines that no recovery is possible. All moneys recovered shall be deposited in the general fund. There shall be no payment from the special compensation fund if there is liability for the injury under the provisions of section 176.215, by an insurer or self-insurer.

Sec. 27. Minnesota Statutes 1983 Supplement, section 176.221, subdivision 1, is amended to read:

Subdivision 1. [COMMENCEMENT OF PAYMENT.] Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of temporary total compensation shall commence. Within 14 days of notice to or knowledge by an employer of a new period of temporary total disability which is caused by an old injury compensable under this chapter, the payment of temporary total compensation shall commence; provided that the employer or insurer may file for an extension with the commissioner within this 14-day period, in which case the compensation need not commence within the 14-day period but shall commence no later than 30 days from the date of the notice to or knowledge by the employer of the new period of disability. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer may have has on any claim or incident either with respect to the compensability of the claim. under chapter 176 or the amount of the compensation due. Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. Liability for compensation under this chapter may be denied by the employer or insurer by giving the employee written notice of the denial of liability. If

liability is denied for an injury which is required to be reported to the commissioner under section 176,231, subdivision 1, the denial of liability must be filed with the commissioner within 14 days after notice to or knowledge by the employer of an injury which is alleged to be compensable under this chapter. If the employer or insurer has commenced payment of compensation under this subdivision but determines within 30 days of notice to or knowledge by the employer of the injury that the disability is not a result of a personal injury, payment of compensation may be terminated upon the filing of a notice of denial of liability within 30 days of notice or knowledge. After the 30-day period, payment may be terminated only by the filing of a notice as provided under section 176.242. Upon the termination, payments made may be recovered by the employer if the commissioner or compensation judge finds that the employee's claim of work related disability was not made in good faith. A notice of denial of liability must state in detail specific reasons explaining why the claimed injury or occupational disease was determined not to be within the scope and course of employment and shall include the name and telephone number of the person making this determination.

- Sec. 28. Minnesota Statutes 1983 Supplement, section 176.221, subdivision 3, is amended to read:
- Subd. 3. [PAYMENTS TO SPECIAL COMPENSATION FUND PENALTY.] Where an If the employer or insurer fails to does not begin payment of compensation pursuant to subdivision 1, or to file a denial of liability within the 14 day period referred to in time limit prescribed under subdivision 1 or 8, it shall pay the commissioner may assess a penalty, payable to the special compensation fund an amount equal to the total, of up to 100 percent of the amount of compensation to which the employee is entitled because of the injury to receive up to the date compensation payment is made to the employee in addition to any other penalty otherwise provided by statute. This penalty may also be imposed on an employer or insurer who violates section 176.242 or 176.243 including, but not limited to, violating the commissioner's decision not to discontinue compensation.
- Sec. 29. Minnesota Statutes 1983 Supplement, section 176.221, is amended by adding a subdivision to read:
- Subd. 3a. [PENALTY.] In lieu of any other penalty under this section, the commissioner may assess a penalty of up to \$1,000 for each instance in which an employer or insurer does not pay benefits or file a notice of denial of liability within the time limits prescribed under this section.
- Sec. 30. Minnesota Statutes 1982, section 176.231, subdivision 1, is amended to read:

Subdivision 1. [TIME LIMITATION.] Where death or serious injury occurs to an employee during the course of employment, the employer shall report the injury or death to the commissioner of labor and industry and insurer within 48 hours after its occurrence. Where any other injury occurs which wholly or partly incapacitates the employee from performing labor or service for more than three calendar days or longer, the employer shall report the injury to the commissioner of labor and industry and insurer on a form prescribed by the commissioner within 45 ten days from its occurrence. A self-insured employer shall report the injury to the commissioner no later

than 14 days from its occurrence. Where an injury has once been reported but subsequently death ensues, the employer shall report the death to the commissioner of labor and industry and insurer within 48 hours after be the employer receives notice of this fact.

- Sec. 31. Minnesota Statutes 1983 Supplement, section 176.231, subdivision 9, is amended to read:
- Subd. 9. [USES WHICH MAY BE MADE OF REPORTS.] Reports filed with the commissioner under this section may be used in hearings held under this chapter, and for the purpose of state investigations and for statistics. These reports are available to the department of revenue for use in enforcing Minnesota income tax and property tax refund laws, and the information shall be protected as provided in section 290.61 or 290A.17.

The division or office of administrative hearings or workers' compensation court of appeals may permit an attorney at law who represents an the examination of its file by the employer, insurer, or an employee, or a dependent to examine its file in a compensation case if the attorney of a deceased employee or any person who furnishes written authorization to do so from the attorney's elient employer, insurer, employee, or dependent of a deceased employee. Reports filed under this section and other information the commissioner has regarding injuries or deaths shall be made available to the workers' compensation reinsurance association for use by the association in carrying out its responsibilities under chapter 79.

Sec. 32. Minnesota Statutes 1982, section 176.241, subdivision 1, is amended to read:

Subdivision 1. [NECESSITY FOR NOTICE AND SHOWING; CONTENTS.] Subject to sections 176.242 and 176.243, where an employee claims that the right to compensation continues, the employer may not discontinue payment of compensation until he the employer provides the employee with notice in writing of his intention to do so, on a form prescribed by the commissioner, together with a statement of facts clearly indicating the reasons for the discontinuance. A copy of the notice shall be provided to the division by the employer.

The notice to the employee and the copy to the division shall state the date of intended discontinuance and the reason for the action. The notice to the employee and the copy to the division shall be accompanied by a statement of facts in support of the discontinuance of compensation payments and whatever medical reports are in the possession of the employer bearing on the physical condition of the employee at the time of the proposed discontinuance.

- Sec. 33. Minnesota Statutes 1983 Supplement, section 176.241, subdivision 2, is amended to read:
- Subd. 2. [CONTINUANCE OF EMPLOYER'S LIABILITY; SUSPENSION.] Except when the commissioner orders otherwise, until the copy of the notice and reports have been filed with the division, the liability of the employer to make payments of compensation continues.

When the division has received a copy of the notice of discontinuance, the statement of facts and available medical reports, the duty of the employer to

pay compensation is suspended pending an investigation, hearing, and determination of the matter by the division or compensation judge, except as provided in the following subdivisions and in sections 176.242 and 176.243.

- Sec. 34. Minnesota Statutes 1982, section 176.241, subdivision 3, is amended to read:
- Subd. 3. [COPY OF NOTICE TO EMPLOYEE, INVESTIGATION, HEARING.] When the employer has reason to believe compensation may be terminated within the requirements of this chapter, notice shall be given to the employee informing the employee of his the employee's right to object to the discontinuance pursuant to sections 176.242 and 176.243 and providing instructions as to how to contact the employer or, insurer, and commissioner regarding the discontinuance and the procedures related to initiation of a claim. The commissioner shall make an investigation to determine whether the right to compensation has terminated. If it appears from the investigation that the right to compensation may not have terminated, the commissioner shall refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled, to determine the right of the employee, or his dependent, to further compensation.

The hearing shall be held within a reasonable time after the division has received the notice of discontinuance. The compensation judge shall give eight days notice of the hearing to interested parties.

- Sec. 35. Minnesota Statutes 1982, section 176.241, is amended by adding a subdivision to read:
- Subd. 3a. [OBJECTION TO DISCONTINUANCE.] If the employee is aggrieved by the commissioner's decision under section 176.242 or 176.243 or the employee has not timely proceeded under either of those sections, the employee may file an objection to discontinuance with the commissioner. The commissioner shall refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled to determine the right of the employee, or the employee's dependent, to further compensation.

The hearing shall be a de novo hearing and shall be held within a reasonable time after the chief hearing examiner has received the notice of the objection to discontinuance.

- Sec. 36. Minnesota Statutes 1982, section 176.241, is amended by adding a subdivision to read:
- Subd. 3b. [PETITION TO DISCONTINUE.] Pursuant to section 176.242, subdivision 5, an employer or insurer may file a petition to discontinue benefits with the commissioner. The commissioner shall refer the matter to the chief hearing examiner in order that a hearing on the petition be held before a compensation judge. This hearing shall be a de novo hearing. The employer or insurer shall continue payment of compensation until the filing of the decision of the compensation judge and thereafter as the compensation judge, court of appeals, or supreme court directs.
- Sec. 37. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 1, is amended to read:
 - Subdivision 1. [NOTICE OF DISCONTINUANCE; GROUNDS.] If an

employer or insurer files a notice of intention to discontinue weekly payments of temporary total, temporary partial, or permanent total disability benefits, the employer or insurer shall serve a copy upon the commissioner and the employee including detailed reasons for the intended discontinuance.

- Sec. 38. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 2, is amended to read:
- Subd. 2. [CONFERENCE, REQUEST.] (a) The employee has ten calendar days from the date the notice was served filed with the commissioner to request that the commissioner schedule an administrative conference to determine the appropriateness of the proposed discontinuance. The employer or insurer may request an administrative conference under this section at any time whether or not a notice of intent to discontinue is filed. If a notice of intent to discontinue has been filed, the commissioner shall schedule an administrative conference to be held within ten calendar days after the commissioner receives timely notice of the employee's or employer's request for an administrative conference. If no notice of intent to discontinue has been filed and the employer or insurer has requested a conference, the commissioner shall schedule an administrative conference to be held within 30 calendar days after the commissioner receives the employer's or insurer's request for a conference.
- (b) If the employee does not, in a timely manner, request that the commissioner schedule an administrative conference, or fails to appear, without good cause, at a scheduled conference, compensation may be discontinued, subject to the employee's right under section 176.241.
- (c) An employee, of employer, or insurer may request a continuance of a scheduled administrative conference. If the commissioner determines that good cause exists for granting a continuance, the commissioner may grant the continuance which shall not exceed ten calendar days unless the parties agree to a longer continuance. No more than one continuance shall be granted. If the employee is granted a continuance, compensation need not be paid during the period of continuance but shall recommence upon the date of the conference unless the commissioner orders otherwise. If the employer or insurer is granted a continuance, compensation shall continue to be paid during the continuance. There is no limit to the number of continuances the commissioner may grant to a party provided that the payment of compensation is subject to this clause during the continuance.
- (d) The purpose of an administrative conference is to determine whether reasonable grounds exist for a discontinuance.
- Sec. 39. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 6, is amended to read:
- Subd. 6. [EFFECT OF DECISION, APPEAL REVIEW, TOLLING.] (a) If an objection or a petition is filed under subdivision 5, the commissioner's administrative decision remains in effect and the parties obligations or rights to pay or receive compensation are governed by the commissioner's administrative decision, pending a determination by a compensation judge pursuant to section 176.241.
- (b) If a party seeks a review of the commissioner's determination involving issues of maximum medical improvement or whether a job offer meets the

criteria under section 176.101, subdivisions 3(e), 3(f), or 3(p), the 90-day period referred to in those subdivisions are tolled and commence on the date of filing of a final determination on the issue. For purposes of this subdivision, a "final determination" means a decision from which no appeal has been or may be taken.

- Sec. 40. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 8, is amended to read:
- Subd. 8. [WHEN DISCONTINUANCE ALLOWED.] Compensation shall not be discontinued prior to an administrative conference except as provided under subdivision 2, clause (b), or if the commissioner determines pursuant to subdivision 3 that no administrative conference is necessary. The employer may discontinue compensation immediately without having an administrative conference if the discontinuance is because the employee has returned to work. If the commissioner has denied a requested discontinuance and a compensation judge later rules that the discontinuance was proper, payments made under the commissioner's order as provided under subdivision 4 shall be treated as an overpayment which the employer or insurer may recover from the employee subject to the provisions of section 176.179.
- Sec. 41. Minnesota Statutes 1983 Supplement, section 176.243, subdivision 3, is amended to read:
- Subd. 3. [EMPLOYEE REQUEST FOR ADMINISTRATIVE CONFER-ENCE.] If the employee objects to the action of the insurer regarding payment of compensation upon the cessation of work by the employee or regarding the payment of temporary partial disability benefits, the employee may request an administrative conference with the commissioner to resolve disputed issues. A request for an administrative conference shall be made within ten calendar days after service of the notice on the employee. If the employee requests an administrative conference the commissioner shall schedule a conference to be held within 14 calendar days after the commissioner receives the request.
- Sec. 42. Minnesota Statutes 1982, section 176.271, subdivision 2, is amended to read:
- Subd. 2. Before a proceeding is initiated pursuant to subdivision 1 the party contemplating initiation of a proceeding shall notify the party against whom the proceeding will be directed including an employer who has an interest in the matter and shall state the relief that will be sought in the proceeding. If the party to whom the notice is directed does not respond to the satisfaction of the party supplying the notice within 15 days of the receipt of the notice a proceeding may be initiated pursuant to subdivision 1. This notification is not required in cases where compliance with this subdivision would result in the claim being barred by section 176.151 or other sections or a proceeding under section 176.242 or 176.243 or other proceeding for which the commissioner determines this notice is not necessary.
- Sec. 43. Minnesota Statutes 1982, section 176.351, is amended by adding a subdivision to read:
- Subd. 2a. [SUBPOENAS NOT PERMITTED.] A member of the rehabilitation review panel or medical services board or an employee of the department who has conducted an administrative conference or hearing under sec-

tion 176.102, 176.103, 176.135, 176.136, 176.242, or 176.243, shall not be subpoenaed to testify regarding the conference, hearing, or concerning a mediation session. A member of the rehabilitation review panel, medical services board, or an employee of the department may be required to answer written interrogatories limited to the following questions:

- (a) Were all statutory and administrative procedural rules adhered to in reaching the decision?
 - (b) If the answer to question (a) is no, what deviations took place?
- (c) Did the person making the decision consider all the information presented to him or her prior to rendering a decision?
- (d) Did the person making the decision rely on information outside of the information presented at the conference or hearing in making the decision?
- (e) If the answer to question (d) is yes, what other information was relied upon in making the decision?

In addition, for a hearing with a compensation judge and with the consent of the compensation judge, an employee of the department who conducted an administrative conference, hearing, or mediation session, may be requested to answer written interrogatories relating to statements made by a party at the prior proceeding. These interrogatories shall be limited to affirming or denying that specific statements were made by a party.

Sec. 44. Minnesota Statutes 1983 Supplement, section 176.361, is amended to read:

176.361 [INTERVENTION.]

Subdivision 1. [RIGHT TO INTERVENE.] A person who has an interest in any matter before the workers' compensation court of appeals, or commissioner, or compensation judge such that the person may either gain or lose by an order or decision may intervene in the proceeding by filing an application in writing stating the facts which show the interest. The commissioner is considered to have an interest and shall be permitted to intervene at the appellate level when a party relies in its claim or defense upon any statute or rule administered by the commissioner, or upon any rule, order, requirement, or agreement issued or made under the statute or rule.

The commissioner and may adopt rules, not inconsistent with this section to govern intervention. The workers' compensation court of appeals shall adopt rules to govern the procedure for intervention in matters before it.

If the department of public welfare or the department of economic security seeks to intervene in any matter before the division, a compensation judge or the workers' compensation court of appeals, a nonattorney employee of the department, acting at the direction of the staff of the attorney general, may prepare, sign, serve and file motions for intervention and related documents and appear at prehearing conferences. Any other interested party may intervene using a nonattorney. This activity shall not be considered to be the unauthorized practice of law.

Subd. 2. [WRITTEN APPLICATION.] A person desiring to intervene in a workers' compensation case as a party, including but not limited to a health care provider who has rendered services to an employee or an insurer who

has paid benefits under section 176.191, shall submit a timely written application to intervene to the compensation or settlement judge to whom the case has been assigned. If the case has not yet been assigned, the application shall be made to the calendar judge if the case has been certified to the office, or to the division if the case has not been certified to the office.

- (a) The application must be served on all parties either personally, by first class mail, or registered mail, return receipt requested. An application to intervene must be served and filed within 60 days after a person has received notice that a petition has been filed as provided in this section. An untimely motion is subject to denial under subdivision 7.
- (b) In any other situation, timeliness will be determined by the judge in each case based on circumstances at the time of filing. The application must show how the moving party's legal rights, duties, or privileges may be determined or affected by the case; state the grounds and purposes for which intervention is sought; and indicate the moving party's statutory right to intervene. The application must be accompanied by the following, if applicable:
- (1) an itemization of disability payments showing the period during which the payments were or are being made; the weekly or monthly rate of the payments; and the amount of reimbursement claimed;
- (2) a summary of the medical or treatment payments, or rehabilitation services provided by the division of vocational rehabilitation, broken down by creditor, showing the total bill submitted, the period of treatment or rehabilitation covered by that bill, the amount of payment on that bill, and to whom the payment was made;
- (3) copies of all medical or treatment bills on which some payment was made;
- (4) copies of the work sheets or other information stating how the payments on medical or treatment bills were calculated;
- (5) a copy of the relevant policy or contract provisions upon which the claim for reimbursement is based;
- (6) a proposed order allowing intervention with sufficient copies to serve on all parties;
- (7) the name and telephone number of the person representing the intervenor who has authority to reach a settlement of the issues in dispute;
 - (8) proof of service or copy of the registered mail receipt;
- (9) at the option of the intervenor, a proposed stipulation which states that all of the payments for which reimbursement is claimed are related to the injury or condition in dispute in the case and that, if the petitioner is successful in proving the compensability of the claim, it is agreed that the sum be reimbursed to the intervenor; and
- (10) if represented by an attorney, the name, address, telephone number, and Minnesota Supreme Court license number of the attorney.
- Subd. 3. [STIPULATION.] If the person submitting the application for intervention has included a proposed stipulation, all parties shall either exe-

cute and return the signed stipulation to the intervenor who must file it with the division or judge or serve upon the intervenor and all other parties and file with the division specific and detailed objections to any payments made by the intervenor which are not conceded to be correct and related to the injury or condition the petitioner has asserted is compensable. If a party has not returned the signed stipulation or filed objections within 30 days of service of the application, the intervenor's right to reimbursement for the amount sought is deemed established provided that the petitioner's claim is determined to be compensable.

- Subd. 4. [ATTENDANCE BY INTERVENOR.] Unless a stipulation has been signed and filed or the intervenor's right to reimbursement has otherwise been established, the intervenor shall attend all settlement or pretrial conferences and shall attend the regular hearing if ordered to do so by the compensation judge.
- Subd. 5. [ORDER.] If an objection to intervention remains following settlement or pretrial conferences, the calendar judge shall rule on the intervention and the order is binding on the compensation judge to whom the case is assigned for hearing.
- Subd. 6. [PRESENTATION OF EVIDENCE BY INTERVENOR.] Unless a stipulation has been signed and filed or the intervenor's right to reimbursement has otherwise been established, the intervenor shall present evidence in support of the claim at the hearing unless otherwise ordered by the compensation judge.
- Subd. 7. [EFFECTS OF NONCOMPLIANCE.] Failure to comply with this section shall not result in a denial of the claim for reimbursement unless the compensation judge, commissioner, or settlement judge determines that the noncompliance has materially prejudiced the interests of the other parties.
- Sec. 45. Minnesota Statutes 1983 Supplement, section 176.421, subdivision 7, is amended to read:
- Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner shall make a complete record of all proceedings before the commissioner and shall provide a stenographer or an audio magnetic recording device to make the record of the proceedings.

The commissioner shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge which shall be set by the commissioner. Upon a showing of cause, the commissioner may direct that a transcript be prepared without expense to the person requesting the transcript, in which case the cost of the transcript shall be paid by the division. Transcript fees received under this subdivision shall be paid to the workers' compensation division account in the state treasury and shall be annually appropriated to the division for the sole purpose of providing a record and transcripts as provided in this subdivision. This subdivision does not apply to any administrative conference or other proceeding before the commissioner which may be heard de novo in another proceeding including but not limited to proceedings under section 176.102, 176.103, 176.242, or 176.243.

Sec. 46. Minnesota Statutes 1983 Supplement, section 176.442, is

amended to read:

176.442 [APPEALS FROM DECISIONS OF COMMISSIONER.]

Except for a commissioner's decision which may be heard de novo in another proceeding including a decision from an administrative conference under section 176.102, 176.103, 176.242, or 176.243, any decision or determination of the commissioner affecting a right, privilege, benefit, or duty which is imposed or conferred under this chapter is subject to review by the workers' compensation court of appeals. A person aggrieved by the determination may appeal to the workers' compensation court of appeals by filing a notice of appeal with the commissioner in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals.

- Sec. 47. Minnesota Statutes 1983 Supplement, section 176.66, subdivision 10, is amended to read:
- Subd. 10. [MULTIPLE EMPLOYERS OR INSURERS; LIABILITY.] The employer liable for the compensation for a personal injury under this chapter is the employer in whose employment the employee was last exposed in a significant way to the hazard of the occupational disease. In the event that the employer who is liable for the compensation had multiple insurers during the employee's term of employment, the insurer who was on the risk during the employee's last significant exposure to the hazard of the occupational disease is the liable party. If this last employer had coverage for workers' compensation liability from more than one insurer during the employment, the insurer on the risk during the last period during which the employee was last exposed to the hazard of the occupational disease shall pay benefits as provided under section 176.191, subdivision 1, whether or not this insurer was on risk during the last significant exposure. The party making payments under this section shall be reimbursed by the party who is subsequently determined to be liable for the occupational disease, including interest at a rate of 12 percent a year. For purposes of this section, a self-insured employer shall be considered to be an insurer and an employer. Where there is a dispute as to which employer is liable under this section, the employer in whose employment the employee is last exposed to the hazard of the occupational disease shall pay benefits pursuant to section 176.191, subdivision 1.
- Sec. 48. Minnesota Statutes 1983 Supplement, section 176.66, subdivision 11, is amended to read:
- Subd. 11. [AMOUNT OF COMPENSATION.] The compensation for an occupational disease is 66-2/3 percent of the employee's weekly wage on the date of injury subject to a maximum compensation equal to the maximum compensation in effect on the date of last exposure. The employee shall be immediately eligible for supplementary benefits notwithstanding the provisions of section 176.132, after four years have elapsed since the date of last significant exposure to the hazard of the occupational disease if that employee's weekly compensation rate is less than 65 percent of the statewide average weekly wage the current supplementary benefit rate.
- Sec. 49. Minnesota Statutes 1983 Supplement, section 176.85, subdivision 1, is amended to read:

Subdivision 1. [APPEAL PROCEDURE.] If the commissioner has assessed a penalty against a party subject to this chapter and the party believes the penalty is not warranted, the party may request that a formal hearing be held on the matter. The request must be filed within 30 days of the date that the penalty assessment is served on the party. Upon receipt of a timely request for a hearing the commissioner shall refer the matter to the chief hearing examiner for assignment to a compensation judge or hearing examiner.

The chief hearing examiner shall keep a record of the proceeding and provide a record pursuant to section 176.421.

The decision of the compensation judge or hearing examiner shall be final and shall be binding and enforceable. The decision may be appealed to the workers' compensation court of appeals.

Sec. 50. [ADMINISTRATIVE CONFERENCE SCHEDULING.]

Notwithstanding anything to the contrary in section 176.242, subdivision 2, clause (a), an administrative conference pursuant to section 176.242 shall be scheduled within ten business days after the commissioner receives timely notice of the employee's request for a conference. This section applies to a conference which is requested on or after the effective date of this section and before October 1, 1984, after which time the provisions of section 176.242, subdivision 2, clause (a), apply.

Sec. 51. [STUDY.]

The requirement of Laws 1983, chapter 301, section 32, that the commissioner shall study the need for establishing criteria which would determine whether a workers' compensation claim is handled by the division's attorneys, referred for private action, or referred for arbitration or mediation and report to the legislature is removed.

Sec. 52. [REPEALER.]

Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.129, subdivision 5; are repealed.

Sec. 53. [EFFECTIVE DATE.]

The amendments in sections 1 to 12, 14, and 48 are not substantive in nature and are clarifications of legislative intent of Laws 1983, chapter 290, and apply to an injury occurring after December 31, 1983. Failure to cite a specific section in this act as nonsubstantive in nature shall not be construed to mean that the section is substantive. Section 24 applies to claims filed after the effective date of this act. This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982, sections 176.135, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivisions 1 and 3, and by adding subdivisions; 176.271, subdivision 2; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 79.34, subdivision 1; 176.041, subdivision 1; 176.101, subdivisions

3a, 3b, 3e, 3g, 3i, 3j, 3l, 3m, 3o, 3q, 3r, and 3t; 176.102, subdivisions 3a and 9; 176.103, subdivision 3, and by adding a subdivision; 176.104, subdivisions 1 and 2; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.135, subdivision 1; 176.138; 176.183, subdivision 1; 176.221, subdivisions 1, 3, and by adding a subdivision; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 6, and 8; 176.243, subdivision 3; 176.361; 176.421, subdivision 7; 176.442; 176.66, subdivisions 10 and 11; 176.85, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.129, subdivision 5; and 176.051, subdivisions 2, 3, and 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2023: A bill for an act relating to the higher education coordinating board; granting temporary rulemaking authority for the supplemental student loan program.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1970: A bill for an act relating to education; allowing the higher education coordinating board to prorate the obligation to repay loans for doctors who serve part time in an area of need; amending Minnesota Statutes 1982, section 147.30.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1905: A bill for an act relating to crimes; providing a penalty for falsely reporting a medical emergency; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "CALLS" insert "AND COMMUNICATIONS"

Page 1, lines 17 and 18, strike "in fact"

Page 1, line 24, delete "or"

Page 2, line 1, delete "in fact" and delete the period and insert "; or"

Page 2, after line 1, insert:

"(5) Interrupts, disrupts, impedes, or otherwise interferes with the transmission of a citizen's band radio channel communication the purpose of which is to inform or inquire about a medical emergency or an emergency in which property is or is reasonably believed to be in imminent danger of damage or destruction."

Amend the title as follows:

Page 1, line 2, delete "a penalty" and insert "penalties"

Page 1, line 3, before the first semicolon, insert "and for interfering with emergency communications over a citizen's band radio channel"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1285: A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 418A.13, subdivision 2; 418A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 5. [SATISFACTION OF JUDGMENT.] If (1) a conciliation court judgment has been docketed in county court for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the county court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court.
- Sec. 2. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 6. [CLERK'S DUTIES.] Under the supervision of the conciliation court judges, the clerk shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The clerk shall assist judgment creditors and judgment debtors in

the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.

- Sec. 3. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 7. [NOTICE OF COSTS ON REMOVAL.] A notice of order for judgment shall contain a statement that if the cause is removed to county court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action.
- Sec. 4. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 8. [COSTS AND DISBURSEMENTS FOR PREVAILING PARTY ON REMOVAL.] (a) The prevailing party in a removed cause may tax and recover from the other party costs as provided by rules of the supreme court; except that if the prevailing party, on appeal, is not the aggrieved party in the original action, the court may, in its discretion, allow such prevailing party to tax and recover from the aggrieved party an amount not to exceed \$50 as costs.
- (b) For the purpose of this subdivision, an "aggrieved party" means the party who demands removal to county court and means the first party who serves, or files in lieu of serving, a demand for removal if another party also demands removal, and an "opposing party" means any party as to whom the aggrieved party seeks a reversal in whole or in part by removal of the cause to county court.
 - (c) The aggrieved party is the prevailing party in county court:
- (1) If the aggrieved party recovers any amount or any property in county court when the aggrieved party had been denied recovery of any amount or any property by the conciliation judge,
- (2) If the opposing party does not recover any amount or any property from the aggrieved party in county court when the opposing party had recovered some amount or some property by the order of the conciliation judge,
- (3) If the aggrieved party recovers an amount or value of property in county court which is at least \$25 in excess of the amount or value of property which the aggrieved party recovered by the order of the conciliation judge, or
- (4) If the opposing party recovers from the aggrieved party an amount or value of property in county court which is at least \$25 less than the amount or value of property which the opposing party recovered by the order of the conciliation judge.
- (d) In all other situations the opposing party shall be deemed to be the prevailing party in county court.
- (e) Costs or disbursements in the conciliation or county court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision.
 - Sec. 5. Minnesota Statutes 1982, section 488A.13, subdivision 2, is

amended to read:

Subd. 2. [CLERK OF MUNICIPAL COURT; DUTIES; RECORDS.] (a) The clerk of the municipal court shall serve as the clerk of the conciliation court. He shall delegate deputy clerks of the municipal court to assist him in performing his duties under this act sections 488A.12 to 488A.17. The clerk shall keep such the records and accounts and perform such other duties as may be prescribed by the judges. He shall account for and pay over to the county of Hennepin all fees received by him in the same fashion as required in his capacity as clerk of municipal court.

Under the supervision of the conciliation court judges, the clerk shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The clerk shall assist judgment creditors and judgment debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.

- (b) The clerk may, upon the consent of all the judges of municipal court of the county of Hennepin, destroy or dispose of all the following files and records of said the court, which have been on file for more than 20 years:
 - (1) Complaint files;
 - (2) Transcript receipts;
 - (3) Cash receipt books;
 - (4) Cancelled checks.
- Sec. 6. Minnesota Statutes 1982, section 488A.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The clerk shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action.

- Sec. 7. Minnesota Statutes 1982, section 488A.16, subdivision 8, is amended to read:
- Subd. 8. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become finally effective under subdivision 2, the judgment creditor may obtain a transcript of the judgment from the clerk of conciliation court on payment of a fee of fifty cents therefor and file it with the clerk of the municipal court of the county of Hennepin. After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. No writ of execution or garnishment summons may be issued out of conciliation court. If (1) a conciliation court judgment has been docketed as a municipal court judgment for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the

judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court.

- Sec. 8. Minnesota Statutes 1982, section 488A.30, subdivision 2, is amended to read:
- Subd. 2. [ADMINISTRATOR, DUTIES.] The administrator of the municipal court shall serve as the administrator of the conciliation court. He shall delegate necessary employees of the municipal court to assist him in performing his duties under this act sections 488A.29 to 488A.34. The administrator shall keep such the records and accounts and perform such other duties as may be prescribed by the judges. He shall account for and pay over to the county of Ramsey all fees received by him in the same fashion as required in his capacity as administrator of municipal court.

Under the supervision of the conciliation court judges, the administrator of the conciliation court shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The administrator shall assist judgment creditors and judgment debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.

Sec. 9. Minnesota Statutes 1982, section 488A.33, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The administrator shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall also contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action.

- Sec. 10. Minnesota Statutes 1982, section 488A.33, subdivision 7, is amended to read:
- Subd. 7. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become final under subdivision 2, the judg-

ment creditor may obtain a transcript of the judgment from the administrator of conciliation court and file it with the administrator of the municipal court upon payment of the filing fees as prescribed for the municipal court. After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. A transcript of a judgment payable in installments may not be so obtained and filed until 20 days after default in the payment of an installment. No writ of execution nor garnishment summons may be issued out of conciliation court. If (1) a transcript of a judgment has been filed for a period of at least 30 days, (2) the judgment is not satisfied or an installment of it remains overdue, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court.

- Sec. 11. Minnesota Statutes 1982, section 488A.34, subdivision 9, is amended to read:
- Subd. 9. [COSTS AND DISBURSEMENTS FOR PREVAILING PARTY.] (a) The prevailing party in a removed cause may tax and recover from the other party costs and disbursements as though the action was originally commenced in the municipal court; except that if the prevailing party, on appeal, is not the aggrieved party in the original action, the court may, in its discretion, allow such prevailing party to tax and recover from the aggrieved party an amount not to exceed \$50 as costs.
- (b) For the purpose of this subdivision, an "aggrieved party" means the party who demands removal to municipal court and means the first party who serves, or files in lieu of serving, a demand for removal if another party also demands removal, and an "opposing party" means any party as to whom the aggrieved party seeks a reversal in whole or in part by removal of the cause to municipal court.
 - (c) The aggrieved party is the prevailing party in municipal court:
- (1) If the aggrieved party recovers any amount or any property in municipal court when the aggrieved party had been denied recovery of any amount or any property by the conciliation judge,
- (2) If the opposing party does not recover any amount or any property from the aggreeded party in municipal court when the opposing party had recovered some amount or some property by the order of the conciliation judge,

- (3) If the aggrieved party recovers an amount or value of property in municipal court which is at least \$25 in excess of the amount or value of property which the aggrieved party recovered by the order of the conciliation judge, or
- (4) If the opposing party recovers from the aggrieved party an amount or value of property in municipal court which is at least \$25 less than the amount or value of property which the opposing party recovered by the order of the conciliation judge.
- (d) In all other situations the opposing party shall be deemed to be the prevailing party in municipal court.
- (e) Costs or disbursements in the conciliation or municipal court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision."

Amend the title as follows:

- Page 1, delete lines 7 and 8 and insert "sections 487.30, by adding subdivisions; 488A.13, subdivision 2; 488A.16, subdivisions 1 and 8; 488A.30,"
- Page 1, line 9, delete "and" and after "488A.33," delete "subdivision" and insert "subdivisions 1 and"
 - Page 1, line 9, before the period, insert "; and 488A.34, subdivision 9"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 1739: A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

Reports the same back with the recommendation that the resolution be amended as follows:

Page 1, line 7, delete "harrassment" and insert "harassment"

Page 1, line 13, delete "harrassment" and insert "harassment"

And when so amended the resolution do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1486 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1486 1471

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secre-

tary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1457: A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1983 Supplement, section 116J.88, subdivisions 7 and 7a; 116J.90, subdivisions 1 and 3; and proposing new law coded in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 116J.88, sub-division 7, is amended to read:
- Subd. 7. [BUSINESS LOAN.] "Business loan" means a loan, other than a pollution control loan, energy loan, or farm loan, to the owner of an eligible small a business for the financing of (a) capital expenditures, on an interim or long-term basis, for the acquisition or improvement of land, acquisition, construction, rehabilitation, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business, including all facilities of a capital nature useful or suitable for any business engaged in any enterprise promoting employment (or any of the other purposes listed below), including, without limitation, such facilities included within the meaning of the term "project" as defined in section 474.02, subdivision 1; or
- (b) short-term costs of conducting an eligible small a business; and with respect to financing such capital expenditure or facility or short-term costs, the authority determines that such expenditure, facility, or costs will accomplish one or more of the following purposes: (1)(a) tend to maintain or provide gainful employment opportunities within or for the people of Minnesota, or (b) aid, assist, and encourage the economic development or redevelopment of any political subdivision of Minnesota, or (c) maintain or diversify and expand employment promoting enterprise within Minnesota; (2) provide electricity, heat, steam, gas, and other forms of energy for general residential or commercial use within all or part of Minnesota; or (3) tend to promote the development and maintenance of the public health within Minnesota.
- Sec. 2. Minnesota Statutes 1982 section 116J.88, subdivision 7a, is amended to read:
- Subd. 7a. [FARM LOAN.] "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction, rehabilitation, or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business or for the acquisition of livestock for breeding purposes.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 1, is amended to read:

- Subdivision 1. [GENERALLY.] The authority may make or purchase or participate with financial institutions in making or purchasing business loans, small business loans, energy loans, pollution control loans, and farm loans upon the conditions described in this section, and may enter into commitments therefor. In addition, the authority may engage in loans-to-lenders programs with respect to loans to the extent set forth in this section.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 3, is amended to read:
- Subd. 3. [DIRECT BUSINESS AND FARM LOANS; LIMITATIONS.] The authority may make business loans or farm loans not exceeding \$100,000 in principal amount, at interest rates and subject to terms determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note payable in whole or part from the repayments of principal and interest on the loan. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them. The limitation on loan amounts in this subdivision does not apply to energy loans and loans insured under sections 93 and 94 any loans other than farm loans.
- Sec. 5. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3a. [LEGISLATIVE DECLARATIONS.] (a) There exists in this state an inadequate supply of, and a pressing need for, farm loans at interest rates that are affordable by farm businesses. The lack of availability and high cost of farm loans result in decreases in crop, livestock, and business productivity and inability on the part of farmers to acquire and maintain agricultural equipment and machinery, livestock, and real estate; jeopardize the continued existence of family-owned farm businesses; and lessen the supply of agricultural commodities available to meet the needs of the people of this state. The reduction in family-owned farm businesses results in an insufficiency of gainful employment in rural areas and adds additional pressure on the welfare, public health, and crime prevention programs of the state and increases the cost of unemployment compensation to the existing enterprises of the state.
- (b) These conditions and problems cannot be remedied through the operation of private enterprise alone, but can be alleviated through governmental action designed to encourage the investment of private capital in the agricultural sector through the use of financing as provided in this chapter for the purpose of providing farm loans at interest rates lower than those available in the conventional farm credit markets. Alleviating these conditions and problems, by the encouragement of private investment through financing as provided in this chapter, is a public purpose and use for which public money may be expended and loaned, and is necessary to protect the health, safety, and general welfare of the people of this state.
- Sec. 6. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
 - Subd. 3b. [LOAN AUTHORITY.] The authority may make or purchase or

participate with financial institutions in making or purchasing farm loans upon the conditions described in this section, and may enter into commitments for farm loans, on the terms and conditions and with the security determined by the authority. The loans may be made or purchased only from the proceeds of bonds or notes issued pursuant to this section. For this purpose, the authority may exercise all powers conferred on it by sections 116J.88 to 116J.91 with respect to business loans. Loans and loan commitments must be originated and serviced by one or more financial institutions authorized to transact that business in this state. The authority shall make or participate in farm loans only when the authority determines that financing is not otherwise available, in whole or in part, from private lenders on equivalent terms and conditions.

- Sec. 7. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3c. [BONDS AND NOTES.] The authority may issue its bonds or notes to provide money for the purposes specified in subdivision 2, which are payable in whole or in part from repayments of principal and interest on farm loans. For this purpose, the authority may exercise all powers conferred upon it by sections 116J.88 to 116J.91 with respect to bonds or notes to be issued to provide money for business loans. The principal amount of bonds and notes issued and outstanding pursuant to this section at any time, computed as specified in section 116J.91, subdivision 11, may not exceed \$30,000,000, and bonds or notes issued pursuant to this section may not be taken into account for the purpose of determining the amount of bonds or notes outstanding under section 116J.91, subdivision 11. Sections 116J.88 to 116J.91 are applicable to bonds and notes covered by this subdivision and the application of the proceeds from the bonds and notes.
- Sec. 8. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3d. [FARM BUSINESS.] "Farm business" means any person, partnership, corporation, or other entity which is engaged or will engage in farming, livestock or agricultural production or processing, or storage of agricultural products, which otherwise qualifies as a small business.

Sec. 9. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1982, sections 116J.88, subdivision 7a; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivision 7; and 116J.90, subdivisions 1 and 3."

And when so amended the bill do pass and be re-referred to the Committee on Energy and Housing. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1479: A bill for an act relating to public welfare; clarifying the commissioner's rulemaking authority; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, delete lines 27 to 29 and insert:

"(15) The commissioner may adopt permanent and temporary rules under chapter 14 that are necessary to carry out the duties of the department of public welfare. The commissioner shall notify the legislature of his intent to promulgate a rule under this section. The notice shall state the subject matter of the rules and the duties of the department of public welfare to be carried out by promulgation of the rule. The appropriate standing committees of each house of the legislature may conduct public hearings for the purpose of examining the need for the rule and providing advice with respect to the policies to be promoted by the rule. If the appropriate standing committee of either house determines that the subject matter of the rule is such that a specific grant of rulemaking authority by the legislature is required, the commissioner shall not promulgate the rule under this section."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1557, 1793, 1815, 1504, 1588, 1377, 992, 1000, 1551, 1660, 1702, 1627, 1794, 1790, 1671, 1789, 1669, 1934, 1402, 1858, 1336, 1825, 1831, 1477, 1905 and 1285 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1456 and 1486 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Bertram moved that the name of Mrs. McQuaid be added as a co-author to S.F. No. 1398. The motion prevailed.

Ms. Peterson, D.C. moved that the name of Mr. Hughes be added as a co-author to S.F. No. 1546. The motion prevailed.

Mr. Peterson, R.W. moved that the name of Mr. Davis be added as a co-author to S.F. No. 1671. The motion prevailed.

Ms. Olson moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1719. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 2015. The motion prevailed.

Mr. Johnson, D.J. moved that the names of Messrs. Dicklich, Lessard and Peterson, C.C. be added as co-authors to S.F. No. 2037. The motion prevailed.

Mr. Pehler moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 2042. The motion prevailed.

- Mr. Moe, D.M. moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 2043. The motion prevailed.
- Mr. Merriam moved that the names of Mr. Purfeerst and Ms. Berglin be added as co-authors to S.F. No. 2047. The motion prevailed.
- Mr. Solon moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 2054. The motion prevailed.
- Mr. Johnson, D.J. moved that the names of Messrs. Lessard and Peterson, C.C. be added as co-authors to S.F. No. 2061. The motion prevailed.
- Mr. Bertram moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 2079. The motion prevailed.
- Mr. Pehler moved that S.F. No. 1529, No. 48 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.
 - Mr. Wegscheid introduced-

Senate Resolution No. 91: A Senate resolution congratulating Mike Hammerstad as a lifesaver.

Referred to the Committee on Rules and Administration.

CALENDAR

S.F. No. 1127: A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Schmitz
Anderson	Diessner	Knutson	Novak	Sieloff
Belanger	Dieterich	Kroening	Olson	Solon
Benson	Frank	Laidig	Pehler	Spear
Berg	Frederick	Langseth	Peterson, C.C.	Storm
Berglin	Frederickson	Lantry	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Lessard	Peterson, D. L.	Taylor
Bertram	Hughes	Luther	Peterson, R.W.	Utland
Brataas	Isackson	McQuaid	Petty	Vega
Chmielewski	Johnson, D.E.	Mehrkens	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Merriam	Purfeerst	Willet
Davis	Jude	Moe, D. M.	Reichgott	
DeCramer	Kamrath	Moe. R. D.	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 1139: A bill for an act relating to local government; requiring notice of and hearings on increases in certain license fees; proposing new law coded in Minnesota Statutes, chapter 471.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 3, as follows:

Those who voted in the affirmative were:

Kamrath Nelson Renneke Adkins DeCramer Knaak Novak Schmitz Dicklich Anderson Olson Sieloff Knutson Belanger Diessner Solon Frank Kroening Pehler Benson Peterson, C.C. Spear Frederick Laidig Berg Langseth Peterson, D.C. Storm Frederickson Berglin Stumpf Peterson, D.L. Bernhagen Freeman Lantry Peterson, R.W. Taylor Hughes Lessard Bertram Ulland Brataas Isackson Luther Petty Pogemiller Vega Chmielewski Johnson, D.E. McQuaid Wegscheid Mehrkens Purfeerst Dahl Johnson, D.J. Moe, R. D. Reichgott Willet Inde Davis

Messrs. Dieterich, Merriam and Moe, D.M. voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1433: A bill for an act relating to natural resources; extension of state timber permits; amending Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Nelson Schmitz Adkins Dicklich Knaak Sieloff Anderson Diessner Knutson Novak Olson Solon Belanger Dieterich Kroening Spear Frank Laidig Pehler Benson Frederick Langseth Peterson, C.C. Storm Berg Peterson, D.C. Stumpf Berglin Frederickson Lantry Lessard Peterson, D.L. Taylor Bernhagen Freeman Luther Peterson, R.W. Ulland Bertram Hughes Vega **Brataas** Isackson McQuaid Petty Wegscheid Johnson, D.E. Pogemiller Mehrkens Chmielewski Purfeerst Willet Dah! Johnson, D.J. Merriam Moe, D. M. Jude Reichgott Davis Moe, R. D. Renneke DeCramer Kamrath

So the bill passed and its title was agreed to.

S.F. No. 1757: A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 156A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Schmitz
Anderson	Dieterich	Kroening	Novak	Sieloff
Belanger	Frank	Kronebusch	Olson	Solon
Berg	Frederick	Laidig	Pehler	Spear
Berglin	Frederickson	Langseth	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.C.	Stumpf
Bertram	Hughes	Lessard	Peterson, D.L.	Taylor
Brataas	Isackson	Luther	Peterson, R.W.	Ulland
Chmielewski	Johnson, D.E.	McOuaid	Petty	Vega
Dahl	Johnson, D.J.	Mehrkens	Pogemiller	Wegscheid
Davis	Jude	Merriam	Purfeerst	Willet
DeCramer	Kamrath	Moe, D. M.	Reichgott	
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 1331: A bill for an act relating to transportation; designating a bridge as the "Veterans Memorial Bridge"; amending Minnesota Statutes 1982, section 161.14, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Nelson	Schmitz
Anderson	Diessner	Knutson	Novak	Sieloff
Belanger	Dieterich	Kroening	Olson	Solon
Benson	Frank	Kronebusch	Pehler	Spear
Berg	Frederick	Laidig	Peterson, C.C.	Storm
Berglin	Frederickson	Lantry	Peterson, D.C.	Stumpf
Bernhagen	Freeman	Lessard	Peterson, D.L.	Taylor
Bertram	Hughes	Luther	Peterson, R.W.	Ulĺand
Brataas	Isackson	McQuaid	Petty	Vega
Chmielewski	Johnson, D.E.	Mehrkens	Pogemiller	Wegscheid
Dahl	Johnson, D.J.	Merriam	Purfeerst	Willet
Davis	Jude	Moe, D. M.	Reichgott	
DeCramer	Kamrath	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Frank moved that name of Mr. Novak be added as a co-author to S.F. No. 1127. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Davis introduced—

S.F. No. 2081: A bill for an act relating to agriculture; allowing milk to be

standardized; providing an effective date; amending Minnesota Statutes 1982, section 32.391, by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Isackson introduced-

S.F. No. 2082: A bill for an act relating to claims; transportation; requiring the commissioner of transportation to pay claims for damages arising from an inadequate drainage culvert under trunk highway number 30; appropriating money.

Referred to the Committee on Finance.

Mr. Wegscheid introduced-

S.F. No. 2083: A resolution memorializing the Administrator of General Services of the United States of the development of a permanent operation plan for the distribution of federal surplus property.

Referred to the Committee on Governmental Operations.

Mr. Jude introduced—

S.F. No. 2084: A bill for an act relating to government operations; regulating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; and 116L.03, subdivision 6; repealing Minnesota Statutes 1982, section 15.62.

Referred to the Committee on Governmental Operations.

Ms. Reichgott, Mrs. Lantry, Messrs. Schmitz, Dahl and Lessard introduced—

S.F. No. 2085: A bill for an act relating to crimes; appropriating money to the commissioner of public safety for the purpose of making grants to local officials for the investigation of cross-jurisdictional criminal activity.

Referred to the Committee on Judiciary.

Messrs. Bertram; Peterson, C.C.; Johnson, D.J.; Jude and Anderson introduced—

S.F. No. 2086: A bill for an act relating to taxation; providing an exemption from sales tax for the gross receipts from sales of tangible personal property, admission charges, and sales of food, meals, or drinks at events sponsored by certain nonprofit organizations when the profits are used solely and exclusively for charitable, religious, or educational purposes; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kamrath, Jude, Bernhagen and Waldorf introduced—

S.F. No. 2087: A bill for an act relating to education; requiring the state university board, the state board for community colleges, the state board of vocational technical education, and the board of regents to grant refunds of activity fees used for student publications; amending Minnesota Statutes 1982, sections 136.11, by adding a subdivision; 136.67, by adding a subdivision; and 137.02, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 136C.04, by adding a subdivision.

Referred to the Committee on Education.

Mr. Kamrath introduced—

S.F. No. 2088: A bill for an act relating to insurance; township mutual companies; removing the restriction preventing members from acting as examining accountants, auditors, or certified financial examiners; amending Minnesota Statutes 1982, section 67A.241, subdivision 2.

Referred to the Committee on Economic Development and Commerce.

Mr. Frank introduced-

S.F. No. 2089: A bill for an act relating to workers' compensation; providing for determination of disability in cases of occupational disability; amending Minnesota Statutes 1982, section 176.66, subdivision 1.

Referred to the Committee on Employment.

Messrs. Laidig and Taylor introduced-

S.F. No. 2090: A bill for an act relating to education; authorizing a levy for community recreation programs; amending Minnesota Statutes 1982, section 275.125, by adding a subdivision.

Referred to the Committee on Education.

Mr. Taylor introduced—

S.F. No. 2091: A bill for an act relating to cities; regulating the residence of city employees; proposing new law coded in Minnesota Statutes, chapter 418.

Referred to the Committee on Local and Urban Government.

Mr. Dieterich introduced-

S.F. No. 2092: A bill for an act relating to education; modifying various aids and levies; amending Minnesota Statutes 1982, sections 124.2121, subdivision 4; 124.2122, subdivision 3; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 1; 275.125, subdivision 7d; repealing Minnesota Statutes 1983 Supplement, section 124A.06, subdivisions 2 and 3.

Referred to the Committee on Education.

Mr. Dieterich introduced-

S.F. No. 2093: A bill for an act relating to taxation; making permanent the withholding of tax refunds of child support debtors; amending Laws 1982, chapter 523, article IV, section 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dieterich introduced-

S.F. No. 2094: A bill for an act relating to taxation; sales; exempting certain sales of manufactured homes; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Ms. Peterson, D.C. introduced-

S.F. No. 2095: A bill for an act relating to economic development; establishing the Minnesota Business Assistance Advisory Task Force; proposing new law coded in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Commerce.

Mr. Schmitz introduced-

S.F. No. 2096: A bill for an act relating to public welfare; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1982, sections 214.01, subdivision 2; and 595.02; proposing new law coded as Minnesota Statutes, chapter 148A.

Referred to the Committee on Health and Human Services.

Mr. Samuelson introduced—

S.F. No. 2097: A bill for an act relating to education; providing additional funding for a certain technology demonstration site proposal; appropriating money.

Referred to the Committee on Education.

Mr. Pogemiller introduced-

S.F. No. 2098: A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending Minnesota Statutes 1982, sections 183.56; 326.46; 326.47; 326.48; 326.49; and 326.50.

Referred to the Committee on Employment.

Mr. Wegscheid introduced-

S.F. No. 2099: A bill for an act relating to judges; providing for the election of incumbent judges by submitting to the voters whether they should succeed themselves; amending Minnesota Statutes 1982, sections 204B.06, subdivision 6, and by adding a subdivision; 204B.34, subdivision 3; 204B.36, subdivisions 4 and 5; 204D.08, subdivision 6; proposing new law coded in Minnesota Statutes, chapter 204C.

Referred to the Committee on Elections and Ethics.

Mr. Pogemiller introduced—

S.F. No. 2100: A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

Referred to the Committee on Local and Urban Government.

Mr. Samuelson introduced-

S.F. No. 2101: A bill for an act relating to labor; requiring state residents to be given hiring preference on public works projects; providing for enforcement; proposing new law coded in Minnesota Statutes, chapter 181.

Referred to the Committee on Employment.

Mmes. McQuaid, Lantry, Messrs. Chmielewski and Isackson introduced—

S.F. No. 2102: A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; requiring autopsies on victims of sudden infant death syndrome; requiring the report of sudden infant death to the registrar of vital statistics; amending Minnesota Statutes 1982, sections 144.06; 144.07; 144.222; and 390.11.

Referred to the Committee on Health and Human Services.

Mr. Dicklich introduced-

S.F. No. 2103: A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

Referred to the Committee on Transportation.

Ms. Reichgott, Messrs. Pogemiller; Peterson, C.C.; Novak and Ulland introduced—

S.F. No. 2104: A bill for an act relating to taxation; income; allowing individuals who do not itemize deductions a deduction for charitable contributions; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 1, and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Anderson, Storm, Knaak, Kamrath and Ms. Olson introduced—

S.F. No. 2105: A bill for an act relating to financial institutions; requiring disclosure of the state and federal income tax treatment of individual retirement accounts; proposing new law coded in Minnesota Statutes, chapter 47.

Referred to the Committee on Economic Development and Commerce.

Messrs. Storm and Laidig introduced-

S.F. No. 2106: A bill for an act relating to historical properties; authorizing restrictions in conveyances to preserve historical resources; amending Minnesota Statutes 1982, sections 84.64 and 84.65.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Dieterich introduced-

S.F. No. 2107: A bill for an act relating to the University of Minnesota; appropriating money for road improvements in the City of Falcon Heights.

Referred to the Committee on Finance.

Mr. Spear introduced—

S.F. No. 2108: A bill for an act relating to civil commitment; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Laws 1982, chapter 581, section 26, as amended.

Referred to the Committee on Judiciary.

Messrs. Stumpf; Johnson, D.J.; Lessard and Willet introduced—

S.F. No. 2109: A resolution memorializing the International Joint Commission, the President and Congress to effectuate an agreement between Minnesota and Ontario on joint management of their border waters.

Referred to the Committee on Agriculture and Natural Resources.

Mr. DeCramer introduced-

S.F. No. 2110: A bill for an act relating to taxation; increasing the maximum state school agricultural credit; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Anderson introduced

S.F. No. 2111: A bill for an act relating to retirement; authorizing recalculation of certain annuities and benefits.

Referred to the Committee on Governmental Operations.

Mr. Moe, D.M. introduced-

S.F. No. 2112: A bill for an act relating to the city of St. Paul; authorizing the issuance of a license for the sale of intoxicating liquor at the Ordway Music Theatre; requiring local approval.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Spear introduced-

S.F. No. 2113: A bill for an act relating to civil commitment; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; amending Minnesota Statutes 1983 Supplement, section 525.619.

Referred to the Committee on Judiciary.

Messrs. Moe, R.D.; Stumpf; Isackson; Bernhagen and Davis introduced-

S.F. No. 2114: A bill for an act relating to taxation; property; changing computation of the school agricultural credit beginning with taxes payable in 1984; appropriating money; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear introduced—

S.F. No. 2115: A bill for an act relating to public welfare; establishing procedures for the involuntary administration of antipsychotic medications; amending Minnesota Statutes 1983 Supplement, section 253B.03, subdivision 6; proposing new law coded in Minnesota Statutes, chapter 253B.

Referred to the Committee on Health and Human Services.

Mr. Merriam introduced—

S.F. No. 2116: A bill for an act relating to probate; clarifying factors to be considered in determining the compensation of a personal representative; providing for review; amending Minnesota Statutes 1982, section 524.3-719.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, March 29, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-NINTH DAY

St. Paul, Minnesota, Thursday, March 29, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Dan Robinson.

The roll was called, and the following Senators answered to their names:

Adkins	Dicklich	Knutson	Novak	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Solon
Benson	Frank	Laidig	Peterson, C.C.	Spear
Berg	Frederick	Langseth	Peterson, D.C.	Storm
Berglin	Frederickson	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Freeman	Lessard	Peterson, R.W.	Taylor
Bertram	Hughes	Luther	Petty	Ulĺand
Brataas	Isackson	McOuaid	Pogemiller	Vega
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Wegscheid
Dahl	Jude	Merriam	Reichgott	Willet
	Kamrath	Moe, D.M.	Renneke	
Davis			Samuelson	
DeCramer	Knaak	Moe, R.D.	Samueison	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Johnson, D.J.; Nelson and Waldorf were excused from the Session of today.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, reinstate the stricken language

Page 1, line 14, reinstate the stricken "exceed" and after the stricken "three" insert "six" and reinstate the stricken "years"

Pages 1 and 2, delete section 2

Page 2, line 8, delete "Sections 1 and 2 are" and insert "Section 1 is"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1928: A bill for an act relating to education; lengthening membership on the higher education coordinating board to six-year terms; amending Minnesota Statutes 1982, section 136A.02, subdivision 1a.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 136A.02, subdivision 1, is amended to read:

Subdivision 1. The higher education coordinating board shall consist of eight citizen members, one from each congressional district, to be appointed by the governor with the advice and consent of the senate, and three two citizen members also to be appointed by the governor with the advice and consent of the senate to represent the state at large, and one member who is a student at the time of appointment. All members shall be appointed by the governor with the advice and consent of the senate. All appointees to the board members shall be selected for their knowledge of and interest in post secondary education and at least one shall be selected specifically for knowledge of and interest in vocational education. No member of the board shall be an employee of or receive compensation from a public or private post-secondary institution while serving on the board.

Sec. 2. Minnesota Statutes 1982, section 136A.02, subdivision 1a, is amended to read:

Subd. 1a. The term of each board member shall be six years, except that the term of the student member shall be four years. The membership other terms of membership, compensation, removal of members, and filling of vacancies on the board shall be as provided in section 15.0575.

Sec. 3. [TRANSITION PROVISIONS.]

Notwithstanding the provisions of section 2, by June 1, 1984, the governor shall determine which member of the higher education coordinating board representing the state at large has the fewest years remaining in the term. When the term of that member has expired, the student member shall be appointed to the board. When the term of each remaining member expires, the term of the new member shall be six years."

Delete the title and insert:

"A bill for an act relating to education; providing for six-year terms for

members of the higher education coordinating board; designating one member of the board representing the state at large as a student member; amending Minnesota Statutes 1982, section 136A.02, subdivision 1a; and Minnesota Statutes 1983 Supplement, section 136A.02, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 2031: A bill for an act relating to the human rights department; appropriating money to the commissioner of human rights to hire temporary staff.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after the dollar sign insert "500,000"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was re-referred
- S.F. No. 1258: A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; amending Minnesota Statutes 1982, section 116C.71, by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapter 116C.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, delete lines 17 to 23 and insert:

- "Subd. 2. [HIGHWAY ROUTE DETERMINATION.] On an annual basis the commissioner shall review federally approved highway routes for transporting high level radioactive waste in the state and select new state-designated routes in accordance with Code of Federal Regulations, title 49, part 177, if safety considerations indicate the alternate routes would be preferable."
- Page 6, line 25, after "submit" insert "to the commissioner of public safety"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1747: A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minne-

sota Statutes 1983 Supplement, section 169.86, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, before "construction" insert "oversize"

Page 3, after line 8, insert:

"(f) As an alternative to paragraph (e), an annual permit may be issued for combination oversize and overweight construction equipment, machinery, and supplies. The fees for the permit are as follows:

Gross Weight (pounds) of vehicle	Annual Permit Fee
80,000 - 90,000	\$250.00
90,001 - 100,000	\$300.00
100,001 - 110,000	\$400.00
110,001 - 120,000	\$500.00
120,001 - 130,000	\$600.00
130,001 - 140,000	\$700.00

If the gross weight of the vehicle is more than 140,000 pounds the permit fee is determined under paragraph (e)."

Page 3, line 9, delete "(f)" and insert "(g)"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1878: A bill for an act relating to transportation; allowing vending machines in rest areas, tourist information centers, and weigh stations; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; authorizing road authorities to assist each other; reducing a fee; authorizing the commissioner to spend money to acquire or condemn certain outdoor advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; and 173.13, subdivision 7; and Laws 1983, chapter 293, section 2, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 160.08, subdivision 7, is amended to read:

Subd. 7. [NO COMMERCIAL ESTABLISHMENT WITHIN RIGHT-OF-WAY.] No commercial establishment, including but not limited to automotive service stations, for serving motor vehicle users shall be constructed or located within the right-of-way of, or on publicly-owned or publicly-leased land acquired or used for or in connection with, a controlled access highway, except that (1) structures may be built within safety rest and tourist information center areas and; (2) space within state owned buildings

in those areas may be leased for the purpose of providing information to travelers through commercial and public service advertising pursuant to under franchise agreements as provided in sections 160.276 to 160.278; (3) advertising signs may be erected within the right-of-way of interstate or controlled-access trunk highways by franchise agreements under section 12; and (4) vending machines may be placed in rest areas, tourist information centers, or weigh stations constructed or located within trunk highway rights-of-way.

- Sec. 2. Minnesota Statutes 1982, section 160.20, subdivision 3, is amended to read:
- Subd. 3. [INSTALLATION OF DRAIN TILE ALONG OR ACROSS HIGHWAY RIGHT-OF-WAY.] (a) When the course of natural drainage of any land runs to a highway, the owner of the land who has been granted a permit as provided in this subdivision 4 may install drain tile along or across the highway right-of-way along the general course of the natural drainageway, provided further that there will be no diversion of drainage waters away from the natural receiving drainageway immediately downstream from the highway. Any installation shall be made in accordance with specifications set forth in the permit and any rules that apply to the installations. When any installation is made pursuant to this subdivision the highway shall be left in as good condition in every respect as it was before the installation was made.
- (b) Any road authority may accept applications for permits for installation of drain tile along or across the right of way of a highway under its jurisdiction. The road authority may adopt reasonable rules for the installations and may require a bond before granting any permit. Permits for installation along a highway right-of way shall insure that the length of the installation is restricted to the minimum necessary to achieve the desired agricultural benefits. No permit shall allow any open trenches to be left on the right-of-way after installation of drain tile is completed. A road authority that grants a permit for drain tile installation shall not be responsible for any damage to that installation resulting from the action of the authority or any other permittee utilizing the right-of-way.
- (e) Any person who installs drain tile along or across a highway right-of way without obtaining a permit as provided in this subdivision is guilty of a misdemeanor.
- (d) The commissioner shall take no action pursuant to this subdivision which will result in the loss of any federal aid for highway construction in this state.
- (e) For the purpose of this subdivision "highway" means any highway as defined in this chapter which is located outside the corporate limits of any home rule charter or statutory city.
- Sec. 3. Minnesota Statutes 1982, section 160.20, is amended by adding a subdivision to read:
- Subd. 4. [CONDITIONS.] (a) A road authority may accept applications for permits for installation of drain tile along or across the right-of-way under its jurisdiction. The road authority may adopt reasonable rules for the installations and may require a bond before granting a permit. Permits for installation along a highway right-of-way must ensure that the length of the installa-

tion is restricted to the minimum necessary to achieve the desired agricultural benefits. A permit must not allow open trenches to be left on the right-of-way after installation of the drain tile is completed. A road authority that grants a permit for tile drain installation is not responsible for damage to that installation resulting from the action of the authority or any other permittee utilizing the right-of-way.

- (b) A person who installs drain tile along or across a highway right-of-way without obtaining a permit as provided in this section is guilty of a misdemeanor.
- (c) The commissioner shall take no action under this section which will result in the loss of federal aid for highway construction in the state.
- (d) For the purpose of this section, "highway" means any highway as defined in section 160.02 which is located outside the corporate limits of a home rule charter or statutory city.
 - Sec. 4. Minnesota Statutes 1982, section 160.28, is amended to read:

160.28 [PLANS FOR REST AREAS, TOURIST INFORMATION CENTERS AND WEIGH STATIONS, VENDING FACILITIES.]

The provisions of Subdivision 1. Any other law to the contrary notwith-standing, the commissioner of transportation is hereby authorized to cause to be prepared plans and specifications and detailed designs for the construction of buildings and facilities for rest areas, tourist information centers in combination with rest areas, and weigh stations when he the commissioner deems such these buildings and facilities to be necessary in the interest of safety and convenient public travel on highways.

- Subd. 2. [VENDING MACHINES.] Any other law to the contrary notwithstanding, the commissioner may contract for or authorize the placement of vending machines in rest areas, tourist information centers, and weigh stations on interstate highways 35 and 94 for the purpose of dispensing non-alcoholic drinks, candy or gum. The commissioner shall only place vending machines operated under United States Code, title 20, sections 107 to 107e and as provided in section 248.07.
- Sec. 5. Minnesota Statutes 1982, section 160.283, subdivision 3, is amended to read:
- Subd. 3. For the purposes of sections 160.283 to 160.285 the term "resort" shall be as defined in Minnesota Statutes 1969, section 157.01 or a golf course, restaurant, or motel as defined in section 157.01 or recreational camping area as defined in section 327.14, subdivision 8.
 - Sec. 6. Minnesota Statutes 1982, section 160.285, is amended to read:

160.285 [COUNTY PARTICIPATION.]

Subdivision 1. Any county of this state is authorized to expend county road and bridge funds for the purchase of such signs under section 160.283 from the department of transportation, and for the erection of such signs along or adjacent to highways under their jurisdiction or along and adjacent to town roads within the county. A certified copy of the resolution of the board of county commissioners authorizing the purchase of a specified number of such signs shall be forwarded to the department of transportation., provided that the

cost of such the signs to the counties shall must be 100 percent of the actual cost to the department of transportation for the purchase of the signs. The counties may sell the signs to any person, provided that the sale price shall be 75 percent of the cost of such signs to the county reimbursed by the requestor.

- Subd. 2. Any county participating shall Counties may erect such and maintain these signs at its own the expense as it deems necessary of the requestor on those county state-aid highways, county highways and town roads designated in section 160.283, subdivision 2 provided that such these signs shall be erected in a manner acceptable to the department of transportation and shall not be erected closer than 500 feet from trunk highways forming a part of the interstate system as provided in section 173.16, subdivision 4, clause (4), or closer than 300 feet from other trunk highways as provided in section 173.16, subdivision 4, clause (5).
- Subd. 3. All money received from the purchase of signs from any county shall must be deposited in the state treasury and credited to a special account to be known as the local sign account. All money in such account is appropriated to the department of transportation for use in earrying out the provisions of sections 160.283 to 160.285 the trunk highway fund.
 - Sec. 7. Minnesota Statutes 1982, section 160.292, is amended to read:
- 160.292 [INFORMATION SIGNS FOR RESORTS AND RECREATIONAL CAMPING AREAS; DEFINITIONS:]
- Subdivision 1. [GENERAL.] For the purposes of sections 160.292 to 160.296 the terms defined in this section have the meanings given them.
- Subd. 2. [SPECIFIC SERVICE SIGN.] "Specific service sign" means a rectangular sign panel not greater than 1-1/2 feet by six feet displaying a motel, restaurant, resort or recreational camping area business name and, where appropriate, the direction to and distance to the camping area, motel, restaurant, or resort.
- Subd. 3. [SPECIFIC SERVICE SIGN ASSEMBLY.] "Specific service sign assembly" means a combination of specific service sign panels not to exceed four panels to be placed within the right of way on appropriate approaches to an intersection.
- Subd. 4. [SPECIFIC SERVICE SIGN CLUSTER.] "Specific service sign cluster" means a grouping of specific service sign assemblies not exceeding two in number on appropriate approaches to an intersection.
- Subd. 5. [NONFREEWAY TYPE HIGHWAY.] "Nonfreeway type highway" means all roadways with crossing traffic at grade intersections except the roadway may have an isolated interchange.
 - Subd. 6. [RESORT.] "Resort" has the meaning given it in section 157.01.
- Subd. 7. [MOTEL.] "Motel" has the meaning given to the word "hotel" in section 157.01.
- Subd. 7a. [RESTAURANT.] "Restaurant" has the meaning given it in section 157.01.
- Subd. 8. [RECREATIONAL CAMPING AREA.] "Recreational camping area" has the meaning given it in section 327.14, subdivision 8.

- Subd. 9. [LOCAL ROAD.] "Local road" means any nontrunk highway.
- Subd. 10. [SPECIFIC SERVICE.] "Specific service" means restaurants, motels, resorts or recreational camping areas that provide sleeping accommodations for the recreational traveler.
- Sec. 8. Minnesota Statutes 1982, section 160.293, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] Specific service signs are to be used to create and implement a system of signing for the purpose of displaying motel, restaurant, resort and recreational camping area information to the traveling public on nonfreeway type trunk highways in rural areas.

- Sec. 9. Minnesota Statutes 1982, section 160.293, subdivision 3, is amended to read:
- Subd. 3. [NUMBER OF TRUNK HIGHWAY INTERSECTIONS.] A specific service sign for a *restaurant*, motel, resort or recreational camping area is limited to one intersection on the trunk highway system.
- Sec. 10. Minnesota Statutes 1982, section 160.295, subdivision 2, is amended to read:
- Subd. 2. [DISTANCE TO SPECIFIC SERVICE.] A specific service sign may be placed on a nonfreeway type road if the specific service is located within ten 15 miles of the qualifying site.
- Sec. 11. Minnesota Statutes 1982, section 160.295, subdivision 3, is amended to read:
- Subd. 3. [MOTEL, RESTAURANT, AND RESORT WARRANT.] Motels, restaurants, and resorts served by the specific service signing shall be licensed by the state department of health as required by section 157.03.
 - Sec. 12. [160.80] [SIGN FRANCHISE PROGRAM.]
- Subdivision 1. [COMMISSIONER MAY ESTABLISH PROGRAM.] The commissioner of transportation may establish a sign franchise program for the purpose of providing on the right-of-way of interstate and controlled-access trunk highways specific information on gas, food, camping, and lodging, for the benefit of the motoring public.
- Subd. 2. [FRANCHISES.] The commissioner may, by public negotiation or bid, grant one or more franchises to qualified persons to erect and maintain, on the right-of-way of interstate and controlled-access trunk highways, signs informing the motoring public of gas, food, lodging, and camping facilities. A franchisee shall furnish, install, maintain, and replace signs for the benefit of advertisers who provide gas, food, lodging, and camping facilities for the general public, and lease advertising space on the signs to operators of these facilities.
- Subd. 3. [COSTS.] All costs incurred under the program established by this section must be paid under agreements negotiated between a franchisee and an advertiser or advertisers, unless otherwise provided in the contract between the commissioner and the franchisee.
- Subd. 4. [CONTRACT REQUIREMENTS.] All contracts made by the commissioner with a franchisee must provide for:

- (1) a requirement that the franchisee obtain liability insurance in an amount the commissioner determines, jointly insuring the state and the franchisee against all liability for claims for damages occurring wholly or in part because of the franchise; and
- (2) reasonable standards for the size, design, erection, and maintenance of service information signs and the advertising logos thereon.

The commissioner may require additional terms and conditions, including but not limited to provisions on the renewal and termination of the agreement, and in the event of termination the rights of the state and franchisee relative to the franchisee's advertising contracts.

- Subd. 5. [RESTRICTIONS.] The commissioner shall take no action under this section which will result in the loss to the state of any federal highway construction funds.
- Sec. 13. Minnesota Statutes 1982, section 161.20, subdivision 4, is amended to read:
- Subd. 4. [DEBT COLLECTION.] The commissioner shall make reasonable and businesslike efforts to collect money owed to the department for licenses, fines, penalties, and permit fees or arising from damages to stateowned property and or other causes related to trunk highways the activities of the department of transportation. When a debt has been reduced to a money judgment, the commissioner may contract for debt collection services for the purpose of collecting the judgment. The commissioner may enter into an agreement with the commissioner of public safety for the purpose of using debt collection services authorized by this subdivision when civil penalties relating to the use of highways have been reduced to money judgment. Money received as full or partial payment shall be deposited in to the trunk highway appropriate fund. When money is collected through contracted services, the commissioner may make payment for the service from the money collected. The amount necessary for payment of contractual collection costs is appropriated from the trunk highway fund to which money so collected is deposited.
- Sec. 14. Minnesota Statutes 1982, section 161.39, subdivision 1, is amended to read:
- Subdivision 1. [TECHNICAL AND ENGINEERING ASSISTANCE, SURVEYS AND, PLANS, AND MAINTENANCE.] Upon the request of any another road authority, any road authority including the commissioner and the road authority of any city, the commissioner township, or county may provide technical and engineering advice, assistance and supervision to the requesting road authority; and may make surveys and prepare plans for the location, construction, and reconstruction of and perform maintenance on any highway, street, road, or bridge under the jurisdiction of the requesting road authority.
- Sec. 15. Minnesota Statutes 1982, section 161.39, subdivision 5, is amended to read:
- Subd. 5. [PAYMENT FOR SERVICES.] The cost of the work or services performed under the provisions of this section shall be paid by the road authority, department or agency for which the work or services were per-

- formed. All money received or expended therefor shall be credited or debited to the trunk highway fund.
- Sec. 16. Minnesota Statutes 1982, section 161.39, subdivision 6, is amended to read:
- Subd. 6. [AGREEMENTS REGARDING SERVICES.] The road authorities, including road authorities of cities, townships, counties, state departments, or agencies may enter into agreements with the commissioner setting forth the work or services to be performed by the commissioner or the road authority under the provisions of this section and providing for the method of reimbursement to or from the trunk highway fund of the cost thereof.
- Sec. 17. Minnesota Statutes 1982, section 173.02, subdivision 6, is amended to read:
 - Subd. 6. Directional and other official signs and notices shall mean:
- (a) "Official signs and notices" mean signs and notices erected and maintained by public officers or public agencies within their territorial jurisdiction and pursuant to and in accordance with direction or authorization contained in federal or state law for the purposes of carrying out an official duty or responsibility. Historical markers authorized by state law and erected by state or local governmental agencies or nonprofit historical societies may be considered official signs.
- (b) "Public utility signs" mean warning signs, notices, or markers which are customarily erected and maintained by publicly or privately owned public utilities, as essential to their operations.
- (c) "Service club and religious notices" mean signs and notices, not exceeding eight square feet in advertising area, whose erection is authorized by law, relating to meetings and location of nonprofit service clubs or charitable associations, or religious services.
- (d) "Directional signs" means publicly owned signs containing directional information about public places owned or operated by federal, state, or local governments or their agencies, publicly or privately owned natural phenomena, historic, cultural, education scientific, educational, and religious sites, and areas of natural scenic beauty or naturally suited for outdoor recreation, deemed to be in the interest of the traveling public. To qualify for directional signs, privately owned attractions must be nationally or regionally known, and of outstanding interest to the traveling public.
- (e) All definitions in this subdivision are intended to be in conformity with the national standards for directional and other official signs.

Sec. 18. [173.081] [DIRECTIONAL SIGNS.]

The commissioner of transportation shall develop uniform standards for directional signs erected under this chapter. The standards must provide for the size, lighting, spacing, design, colors, and maintenance of the signs. The standards must provide that:

- (1) no pictorial or photographic representations be placed on the signs;
- (2) directional signs facing the same direction of travel may not be placed less than one mile apart;
 - (3) signs located adjacent to an interstate highway must be within 75 miles

of the described activity, and those located adjacent to other trunk highways must be within 50 miles of the described activity; and

(4) not more than one directional sign for the same activity and facing the same direction of travel may be erected along a single marked highway approaching the activity.

The standards may provide eligiblity criteria, including visitor capacity, parking capacity, days and hours of operation, and annual and daily average attendance, for attractions qualifying for directional signs.

The commissioner shall take no action under this section which would result in the loss to the state of federal highway construction funds.

- Sec. 19. Minnesota Statutes 1983 Supplement, section 173.13, subdivision 4, is amended to read:
- Subd. 4. The annual fee for each such permit or renewal thereof shall be as follows:
- (1) If the advertising area of the advertising device does not exceed 50 square feet, the fee shall be \$20.
- (2) If the advertising area exceeds 50 square feet but does not exceed 300 square feet, the fee shall be \$40.
 - (3) If the advertising area exceeds 300 square feet, the fee shall be \$80.
- (4) No fee shall be charged for a permit for directional and other official signs and notices as they are defined in section 173.02.
- Sec. 20. Minnesota Statutes 1982, section 173.13, subdivision 7, is amended to read:
- Subd. 7. A penalty of two times equal to one-half the annual fee shall be charged upon failure to pay the annual permit fee for renewal on or before August 1 of each year.
- Sec. 21. Laws 1983, chapter 293, section 2, subdivision 4, is amended to read:

Subd. 4. Technical Services

28,573,600 28,158,500

The amounts that may be expended from this appropriation for each activity are as follows:

Engineering Services \$ 18,024,800 \$ 17,629,100

This appropriation includes \$1,400,000 each year for the purpose of delivery of an expanded highway development program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Engineering Development \$6,890,400 \$6,872,600

\$75,000 the first year and \$75,000 the second year is for a transportation re-

search contingent account to finance research projects that are reimbursable from the federal government or from other sources. Expenditures from this account are subject to the approval of the commissioner of finance. Reimbursements shall be deposited in the trunk highway fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

State Aid Technical Assistance \$ 656,000 \$ 656,000

The variance committee shall be continued during the biennium ending June 30, 1985.

Electronic Communications \$1,796,400 \$1,794,900

Environmental Services \$1,206,000 \$1,205,900

For the fiscal biennium ending June 30, 1985, the commissioner shall spend no money to acquire or condemn outdoor advertising devices as defined in Minnesota Statutes, chapter 173.

Sec. 22. [INSTRUCTIONS TO REVISOR.]

The revisor of statutes shall, in the next and subsequent editions of Minnesota Statutes, delete the headnote "INTERSTATE HIGHWAYS" from the beginning of chapter 173.

Sec. 23. [EFFECTIVE DATE.]

Sections 1 to 22 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; allowing vending machines in rest areas; tourist information centers, and weigh stations; providing for the erection of certain signs by counties; permitting restaurants to be included on specific service signs; providing for the clustering and spacing of specific service signs; directing the commissioner of transportation to establish a sign franchise program for the placement of advertising logos on the right-of-way of certain highways; authorizing road authorities to assist each other; redefining "directional signs" for purposes of outdoor advertising control and directing the commissioner of transportation to develop uniform standards for them; reducing a fee; repealing a restriction on the authority of the commissioner of transportation to expend money to acquire or condemn advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 160.283, subdivision 3; 160.285; 160.292; 160.293, subdivisions 1 and 3; 160.295, subdivisions 2 and 3; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; 173.02, subdivision 6; and 173.13, subdivision 7; Minnesota Statutes 1983 Supplement,

section 173.13, subdivision 4; and Laws 1983, chapter 293, section 2, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 160 and 173."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1578: A bill for an act relating to water pollution control; establishing an independent state grants program for the construction of municipal wastewater treatment facilities; appropriating money; amending Minnesota Statutes 1982, sections 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, section 116.18; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, lines 27 to 32, delete the new language and insert:

"(m) To require a governmental subdivision that owns or operates a wastewater disposal system to have a plan to address the ability to pay costs of major repair of existing facility and planning and constructing an adequate replacement system at the end of the existing system's expected useful life."

Page 7, line 18, strike "clause" and insert "clauses" and after "(7)" insert "and (8)"

Page 7, line 34 to page 8, line 11, delete the new language and insert:

"(8) Notwithstanding clause (7), for state grants under section 9, the eligible cost includes the acquisition of land for stabilization ponds and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. Notwithstanding clause (7), for state grants under section 9, the eligible cost does not include the provision of collector sewers as defined in agency rules, the provision of service to seasonal homes, or the control of combined sewer overflow."

Page 8, line 17, before "state" insert "applicable"

Page 8, line 18, strike the old language and delete ", rules," and after the stricken "acts" insert "law"

Page 9, line 8, before "state" insert "applicable"

Page 9, line 8, strike "laws" and delete ", rules."

Page 9, line 8, strike "and regulations" and insert "law"

Page 9, line 13, before "The" insert "(a)"

Page 9, line 24, delete "but not limited to"

Page 9, line 26, delete "and" and insert a comma

Page 9, line 30, before "Except" insert "(b)"

Page 9, line 32, delete everything before "must" and insert "9"

Page 10, line 3, after the period, insert "This provision does not require

approval from federal agencies for the issuance of grants or for the construction of projects under section 9."

Page 10, line 15, after "funding" insert "for a project"

Page 10, line 16, after "make" insert "a"

Page 10, line 17, after "funding" insert "for that project"

Page 10, line 20, after "amended" insert "by"

Page 10, line 21, delete "No" and insert "A"

Page 10, delete lines 22 to 36 and insert "a final grant of funding for a project under the program established by the 1972 Federal Water Pollution Control Act amendments or the program established by section 9, is not eligible for additional funding to replace that project under the federal program or the state program, unless the funding is necessary as a result of subsequent changes in state water quality standards, effluent limits, or technical design requirements, or for a municipality awarded the final grant before October 1, 1984, if the funding is necessary for the provision of increased capacity."

Page 11, line 2, after the comma, insert "subdivision 1,"

Page 11, line 18, before "For" insert "(a)"

Page 12, line 13, before "If" insert "(b)"

Page 12, after line 29, insert:

"Sec. 8. Minnesota Statutes 1982, section 116.18, subdivision 2, is amended to read:"

Page 12, line 30, before "If" insert "(c)"

Page 13, after line 3, insert:

"Sec. 9. Minnesota Statutes 1982, section 116.18, is amended by adding a subdivision to read:"

Page 13, line 4, before "The" insert "(a)"

Page 13, delete lines 12 to 26 and insert:

"(b) Up to ten percent of the funds to be awarded as grants under this subdivision in any single fiscal year shall be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements. The agency shall forward its municipal needs list to the commissioner of energy and economic development at the beginning of each fiscal year, and the commissioner shall review the list and identify those municipalities having substantial economic development projects. After the first 90 percent of the total available funds are allocated to municipalities in accordance with agency priorities, the set-aside shall be used by the agency to award grants to remaining municipalities that have been identified.

(c) Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and apply to be reimbursed in the subsequent year conditioned upon appropriation of sufficient funds under subdivision 1 for that year. The maximum amount of the reimbursement the

agency may commit in any single fiscal year is equal to the amount newly appropriated under subdivision 1 for that year.

Sec. 10. Minnesota Statutes 1982, section 116.18, subdivision 4, is amended to read:"

Page 14, delete lines 12 to 22

Page 14, line 26, delete "7" and insert "10"

Page 14, line 32, delete "9" and insert "12"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "amending" and insert "116.18, subdivisions 2, 4, and by adding a subdivision;"

Page 1, line 8, after "116.18" insert ", subdivision 1"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1667: A bill for an act relating to veterans; clarifying certain veteran benefit definitions to include veterans who have served in Grenada or with the peacekeeping forces in Lebanon; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after "in" insert "the" and after "Grenada" insert "campaign"

Page 1, line 21, before "Lebanon" insert "the" and after "Lebanon" insert "campaign"

Page 2, line 13, before "Grenada" insert "the" and after "Grenada" insert "campaign"

Page 2, line 14, after "in" insert "the" and after "Lebanon" insert "campaign"

Page 3, line 28, strike "no" and after "interest" insert "free"

Page 4, line 9, after "in" insert "the" and after "Grenada" insert "campaign"

Page 4, line 10, after "in" insert "the" and after "Lebanon" insert "campaign"

Amend the title as follows:

Page 1, line 4, after "in" insert "the" and after "Grenada" insert "campaign"

Page 1, line 5, before "Lebanon" insert "the" and after "Lebanon" insert "campaign"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 1801: A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 1729: A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1867: A bill for an act relating to occupations and professions; authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1819: A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 15, after "the" insert "projected"
- Page 1, lines 19 to 21, delete the new language
- Page 2, line 1, after "present" insert "all of"
- Page 2, line 4, after the period, insert "The state agency shall monitor county agency presentations."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- S.F. No. 1903: A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, delete "A radio"

Page 2, delete lines 2 to 4

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 2077: A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses; validating certain liquor licenses.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, before the period, insert "under chapter 340 without obtaining a license from a local unit of government"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was re-referred

S.F. No. 1485: A bill for an act relating to gambling; removing the yearly total prize award limit on licensed organizations; amending Minnesota Statutes 1982, section 349.26, subdivision 15.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. [REPEALER.]

Minnesota Statutes 1982, section 349.26, subdivision 15a, is repealed."

Amend the title as follows:

Page 1, line 5, before the period, insert "; repealing Minnesota Statutes 1982, section 349.26, subdivision 15a"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1954: A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; and 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivisions

sion 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, after line 9, insert:

- "Sec. 16. Minnesota Statutes 1982, section 204D.11, subdivision 3, is amended to read:
- Subd. 3. [CANARY BALLOT; GRAY BALLOT.] All questions and the names of all candidates for offices to be voted on at the state general election which are not placed on the white ballot shall be placed on a single ballot printed on canary paper which shall be known as the "canary ballot". The canary ballot shall be prepared by the county auditor.

When the length of the canary ballot would exceed 30 inches, all of the municipal judicial offices that are to be placed on the canary ballot may be placed instead on a single separate ballot printed on gray paper. Separate ballot boxes must be provided for these gray ballots.

- Sec. 17. Minnesota Statutes 1982, section 204D.11, is amended by adding a subdivision to read:
- Subd. 6. [GRAY BALLOT.] All soil and water conservation district supervisor offices that are to be placed on the canary ballot under the provisions of section 40.05 may be placed instead on a single separate ballot printed on gray paper. Separate ballot boxes must be provided for these gray ballots. So far as is practicable, gray ballots must be distributed to voters, handled, counted, and canvassed in the manner provided by law for precincts using only paper ballots. The canvass of the gray paper ballots must not delay the canvass of votes recorded on the voting machines. A separate summary statement may be provided for reporting of the canvass of the gray paper ballots. The returns from the voting machines may be filed as provided in section 206.21 before the canvass of the gray paper ballots is completed. Additional or replacement election judges may be appointed to count the gray paper ballots. Soil and water district supervisor offices may be placed on the same separate gray paper ballot used for any other offices which are placed on a separate gray paper ballot under the provisions of state law."
- Page 9, line 16, after the quotation mark, insert "When the canary ballot is divided into two separate ballots as provided in subdivision 3, the ballot printed on canary paper must be headed "County Nonpartisan General Election Ballot" and the ballot printed on gray paper must be headed "Judicial Municipal Nonpartisan General Election Ballot."

Page 9, after line 16, insert:

"Sec. 19. Minnesota Statutes 1982, section 206.15, is amended to read:

206.15 [MAY BE USED AT ALL ELECTIONS.]

Subdivision 1. [GENERAL.] Where voting machines shall be provided in the manner permitted by law, such voting machines may be used at all elections, insofar as the use of the same is applicable, and not inconsistent with

this chapter. If the mechanism of such machines will not permit the voter to record his vote in the manner provided by this chapter said machines may be used in the manner now provided by law so far as is applicable, and as to offices to which such voting machines will not apply, separate paper ballots conforming with the law shall be used. All votes on voting machines shall be recorded and counted and the results thereof ascertained, canvassed and returned as provided by this chapter. When voting machines are used in an election, a reasonable supply of paper ballots and ballot boxes shall be maintained in the possession of the authority charged with the duty of providing ballots for any polling place where voting machines are used. If one or more of the voting machines in any such polling place fails to function during the election, such authority may dispatch paper ballots and ballot boxes to the polling place in such quantity as the authority deems necessary to avoid undue delay occasioned by the machine failure. If paper ballots are used in an election pursuant to this section, they shall be handled, counted, and canvassed in the same manner as absentee ballots. At such time as notification of machine failure is received the officer in charge of supplying ballots shall notify the county headquarters of all major political parties with an office therein or the county chairman of said parties without delay and before said paper ballots are distributed.

Subd. 2. [GRAY BALLOTS.] If the number of offices to be voted on exceeds the number that can be accommodated on the voting machine, all the municipal judicial offices to be voted on must be placed on a single separate paper ballot prepared according to law. The separate paper ballot must be headed "Judicial Municipal Nonpartisan General Election Ballot" and printed on gray paper. Gray ballots must be distributed to voters, handled, counted, and canvassed in the manner provided by law for precincts using only paper ballots, so far as is practicable. The canvass of the gray paper ballots must not delay the canvass of votes recorded on the voting machines. A separate summary statement may be provided for reporting of the canvass of the gray paper ballots. The returns from the voting machines may be filed as provided in section 206.21 before the canvass of the gray paper ballots is completed. Additional or replacement election judges may be appointed to count the gray paper ballots."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "and" and insert "204D.11, subdivision 3, and by adding a subdivision; 206.15;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 1809: A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, sections 123.32, subdivision 7; 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01 to 206.23.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 32, delete section 31 and insert:
- "Sec. 31. Minnesota Statutes 1983 Supplement, section 204C.24, subdivision 1, is amended to read:
- Subdivision 1. [INFORMATION REQUIREMENTS.] Notwithstanding the provisions of sections 206.185, subdivision 5; and 206.21, subdivisions 4 and 2, Precinct summary statements shall be submitted by the election judges in every precinct. The election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:
- (a) the number of votes each candidate received or the number of yes and no votes on each question, the number of partially blank ballots and the number of partially defective ballots with respect to each office or question;
- (b) the number of totally blank ballots, the number of totally defective ballots, the number of spoiled ballots, and the number of unused ballots;
 - (c) the number of individuals who voted at the election in the precinct;
- (d) in counties with permanent registration, the number of voters registered before the polling place opened and the number of voters registering on election day in that precinct; and
- (e) the signatures of the election judges who counted the ballots certifying that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question."
 - Page 32, line 35, after "206.08" insert ", subdivisions 1, 2, and 4"
 - Page 32, line 36, delete "206.09;" and delete "206.11;"
- Page 33, line 1, delete "206.19;" and after "206.21" insert ", subdivisions 1, 2, 4, and 5"
- Page 33, line 2, delete "and" and after "206.23" insert "; and Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19; and 206.21, subdivision 3"

Amend the title as follows:

- Page 1, line 4, delete "sections" and insert "section" and after the semicolon, insert "Minnesota Statutes 1983 Supplement, section"
- Page 1, line 7, delete "to 206.23: and insert"; 206.02; 206.025; 206.026; 206.03; 206.04; 206.05; 206.06; 206.07; 206.075; 206.08, subdivisions 1, 2, and 4; 206.095; 206.10; 206.12; 206.13; 206.14; 206.15; 206.16; 206.17; 206.18; 206.185; 206.195; 206.20; 206.21, subdivisions 1, 2, 4, and 5; 206.21; and 206.23; and Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19; and 206.21, subdivision 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1546: A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 201.071, subdivision 2, is amended to read:
- Subd. 2. [INSTRUCTIONS.] A registration card shall be accompanied by instructions specifying the manner and method of registration, the qualifications for voting, and the penalties for false registration, and the availability of registration and voting assistance for elderly and handicapped individuals and residents of health care facilities and hospitals. If, prior to election day, a person requests the instructions in Braille, on cassette tape, or in a version printed in 16-point bold type with heavy leading, the county auditor shall provide them in the form requested. The secretary of state shall prepare Braille and cassette copies and make them available.
- Sec. 2. Minnesota Statutes 1982, section 201.091, subdivision 8, is amended to read:
- Subd. 8. [REGISTRATION PLACES.] Each county auditor shall designate a number of public buildings in those political subdivisions of the county where preregistration of voters is allowed as provided in section 201.061, subdivision 1, where eligible voters may register to vote. At least one public building shall be designated for each 30,000 residents of the political subdivision county. Every city of the first, second, and third class and county seat shall have at least one telecommunications device for the deaf for voter registration information.

An adequate supply of registration cards shall and instructions must be maintained at each designated location, and a designated individual shall must be available there to accept registration cards and transmit them to the county auditor.

A person who, because of handicap, needs assistance in order to determine eligibility or to register shall be assisted by a designated individual. Assistance includes but is not limited to reading the registration form and instructions and filling out the registration form as directed by the eligible voter.

Sec. 3. Minnesota Statutes 1983 Supplement, section 203B.02, subdivi-

sion 1, is amended to read:

Subdivision 1. [UNABLE TO GO TO POLLING PLACE.] Any eligible voter who reasonably anticipates he will be unable to go to the polling place on election day in the precinct where the individual maintains residence because of absence from the precinct, illness, physical disability, religious discipline, observance of a religious holiday, or service as an election judge in another precinct may vote by absentee ballot as provided in sections 203B.04 to 203B.15.

Sec. 4. Minnesota Statutes 1982, section 203B.07, is amended to read:

203B.07 [RETURN AND BALLOT ENVELOPES; DIRECTIONS TO VOTERS.]

Subdivision 1. [DELIVERY OF ENVELOPES, DIRECTIONS.] The county auditor or the municipal clerk shall prepare, print, and transmit a return envelope, a ballot envelope, and a copy of the directions for casting an absentee ballot to each applicant whose application for absentee ballots is accepted pursuant to section 203B.04. The directions for casting an absentee ballot shall be printed in at least 14-point bold type with heavy leading. When a person requests the directions in Braille or on cassette tape, the county auditor or municipal clerk shall provide them in the form requested. The secretary of state shall prepare Braille and cassette copies and make them available.

When a voter registration card is sent to the applicant as provided in section 203B.06, subdivision 4, the directions or registration card shall include instructions for registering to vote.

- Subd. 2. [DESIGN OF ENVELOPES.] The return envelope shall be of sufficient size to conveniently enclose and contain the ballot envelope and a voter registration card folded along its perforations. The return envelope shall be designed to open on the left hand end. A certificate of eligibility to vote by absentee ballot shall be printed on the right hand three-fourths of the back of the envelope. The certificate shall contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements established by law for voting by absentee ballot. The certificate shall also contain a statement signed by an eligible voter of the county in which the absent voter maintains residence or by a notary public, United States postmaster, assistant postmaster, postal supervisor, clerk of a postal service contract station or other individual authorized to administer oaths stating that:
 - (a) the ballots were displayed to that individual unmarked;
- (b) the voter marked the ballots in that individual's presence without showing how they were marked, or, if the voter was physically unable to mark them, that the voter directed another individual to mark them; and
- (c) if the voter was not previously registered, that the voter has provided proof of residence as required by section 201.061, subdivision 3.

The county auditor or municipal clerk shall affix first class postage to the return envelopes.

Sec. 5. Minnesota Statutes 1983 Supplement, section 204B.16, is amended to read:

204B.16 [POLLING PLACES; DESIGNATION.]

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. The polling place for a precinct in a municipality shall be located within the boundaries of the precinct or within 1500 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2. The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct.

- Subd. 2. [SINGLE POLLING PLACE PERMITTED.] The governing body of any city of the third or fourth class having more than one precinct or of any city with territory in more than one county may by ordinance or resolution designate a single, accessible, centrally located polling place where all the voters of the city shall cast their ballots. A single board of election judges may be appointed to serve at this polling place. The number of election judges appointed shall be determined by considering the number of voters in the entire city as if they were voters in a single precinct. Separate ballot boxes shall be provided and separate returns made for each precinct in the city.
- Subd. 3. [DESIGNATION EFFECTIVE UNTIL CHANGED.] The designation of a polling place pursuant to this section shall remain effective until a different polling place is designated for that precinct. No designation of a new or different polling place shall become effective less than 30 days prior to an election.
- Subd. 4. [PROHIBITED LOCATIONS.] No polling place shall be designated in any place where intoxicating liquors or non-intoxicating malt beverages are served or in any adjoining room. No polling place shall be designated in any place in which substantial compliance with the requirements of this chapter cannot be attained.
- Subd. 5. [ACCESS BY ELDERLY AND HANDICAPPED.] Each polling place shall be accessible to and usable by elderly and physically handicapped individuals. A polling place is deemed to be accessible and usable if it complies with the following standards: in paragraphs (a) to (f).
- (a) At least one set of doors shall must have a minimum width of 31 inches if the doors must be used to enter or leave the polling place.
- (b) Any curb adjacent to the main entrance to a polling place shall must have curb cuts or temporary ramps. Where the main entrance is not the accessible entrance, any curb adjacent to the accessible entrance must also have curb cuts or temporary ramps.
- (c) Where the main entrance is not the accessible entrance, a sign shall be posted at the main entrance giving directions to the accessible entrance.
- (e) (d) At least one set of stairs shall must have a temporary handrail and ramp if stairs must be used to enter or leave the polling place.

- (d) (e) No barrier in the polling place shall may impede the path of the physically handicapped to the voting booth.
- (f) At least one handicapped parking space, which may be temporarily so designated by the municipality for the day of the election, must be available near the accessible entrance.

The doorway, handrails, ramps, and handicapped parking provided pursuant to this subdivision must conform to the standards specified in the state building code for accessibility by handicapped persons.

A governing body shall designate as polling places only those places which meet the standards prescribed in this subdivision unless no available place within a precinct is accessible or can be made accessible.

Subd. 6. [PUBLIC FACILITIES.] Every statutory city, home rule charter city, county, town, school district, and other public agency, including the University of Minnesota and other public colleges and universities, shall make their facilities, including parking, available for the holding of city, county, state, and federal elections. A charge for the use of the facilities may be imposed in an amount that does not exceed the lowest amount charged to any public or private group.

Sec. 6. Minnesota Statutes 1982, section 204B, 17, is amended to read:

204B.17 [CHANGE OF POLLING PLACE BY ELECTION JUDGES.]

When a designated polling place does not comply with the requirements of this chapter the election judges of that precinct, on or before the opening of the polls on election day and upon approval by the municipal clerk in municipalities or the county auditor in unorganized territory, shall procure a polling place which is as near the designated polling place as possible and which does comply with those requirements.

When a new polling place is procured by the election judges, they shall meet on election day at the original polling place where they shall fill any vacancies in their number, publicly announce the change in polling place to the voters who are present and post a notice in large print of the change in a conspicuous place. They shall also post a notice in a location visible by voters who vote from their motor vehicles as provided in 204C.15, subdivision 2. Upon completing these duties the election judges shall adjourn to the new polling place, where they shall post a similar notice of the change in polling place. The election judges shall certify to the appropriate governing body the expenses incurred because of the change. These expenses shall be paid as part of the expenses of the election.

Sec. 7. Minnesota Statutes 1982, section 204B.18, subdivision 1, is amended to read:

Subdivision 1. [BOOTHS.] Each polling place shall must contain a number of voting booths in proportion to the number of individuals eligible to vote in the precinct. Each booth shall must be at least six feet high, three feet deep and two feet wide with a shelf at least two feet long and one foot wide placed at a convenient height for writing. The booth shall be provided with a door or curtains. Each accessible polling place must have at least one accessible voting booth or other accessible voting station. All booths or stations of eurtain and shall must be constructed so that a voter is free from observation

while marking ballots. In all other polling places every effort must be made to provide at least one accessible voting booth or other accessible voting station. During the hours of voting, the booths shall be provided with must have instructions, a pencil, and other supplies needed to mark the ballots. If needed, a chair must be provided for elderly and handicapped voters to use while in the voting booth. All ballot boxes, voting booths, and election judges shall must be in open public view in the polling place.

- Sec. 8. Minnesota Statutes 1982, section 204B.27, subdivision 3, is amended to read:
- Subd. 3. [INSTRUCTION POSTERS.] At least 15 days before every state election the secretary of state shall prepare and furnish to the county auditor of each county in which paper ballots are used, voter instruction posters printed in large type upon cards or heavy paper. The instruction posters shall must contain the information needed to enable the voters to cast their paper ballots quickly and correctly and indicate the types of assistance available for elderly and handicapped voters. Two instruction posters shall be furnished for each precinct in which paper ballots are used.
- Sec. 9. Minnesota Statutes 1982, section 204B.27, subdivision 4, is amended to read:
- Subd. 4. [PAMPHLETS.] The secretary of state may shall prepare and distribute to election officials pamphlets for voters containing impartial instructions relating to voter registration and election procedures. The pamphlets must indicate the types of registration and voting assistance available for elderly and handicapped individuals and residents of health care facilities and hospitals.
- Sec. 10. Minnesota Statutes 1982, section 204C.06, subdivision 2, is amended to read:
- Subd. 2. [INDIVIDUALS ALLOWED IN POLLING PLACE.] Representatives of the secretary of state's office, the county auditor's office, and the municipal clerk's office may be present at the polling place to observe election procedures. Except for these representatives, election judges, sergeants-at-arms, and challengers, an individual may remain inside the polling place during voting hours only while voting or registering to vote, providing proof of residence for an individual who is registering to vote, or assisting a physically handicapped voter or a voter who is unable to read English. During voting hours no one except individuals receiving, marking, or depositing ballots shall approach within six feet of a voting booth, unless lawfully authorized to do so by an election judge.
- Sec. 11. Minnesota Statutes 1982, section 204C.15, subdivision 1, is amended to read:
- Subdivision 1. [INTERPRETERS; PHYSICAL ASSISTANCE IN MARKING BALLOTS.] A voter who states under oath that he is in need of assistance because he cannot read English or is physically unable to mark a ballot may obtain the aid of two election judges who are members of different major political parties. The election judges shall mark the ballots as directed by the voter and in as secret a manner as circumstances permit. If the voter is deaf or cannot speak English or understand it when it is spoken, the election judges may select two individuals who are members of different major polit-

ical parties to act as interpreters. The interpreters shall take an oath similar to that taken by election judges, and shall assist the individual in marking the ballots. A voter in need of assistance may alternatively obtain the assistance of a voter of the same precinct who any individual the voter chooses. The individual who assists the voter shall take an oath that he or she is eligible to do so. Only the following persons may not provide assistance to a voter: the voter's employer, an agent of the voter's employer, an officer or agent of the voter's union, or a candidate for election. The person who assists the voter shall, unaccompanied by an election judge, shall retire with that voter to a booth and mark the ballot as directed by the voter. No voter person who assists another voter as provided in the preceding sentence shall mark the ballots of more than three voters at one election. Before the ballots are deposited, the voter may show them privately to an election judge to ascertain that they are marked as the voter directed. An election judge or other individual assisting a voter shall not in any manner request, persuade, induce, or attempt to persuade or induce the voter to vote for any particular political party or candidate. The election judges or other individuals who assist the voter shall not reveal to anyone the name of any candidate for whom the voter has voted or anything that took place while assisting the voter.

Sec. 12. Minnesota Statutes 1982, section 204C.15, is amended by adding a subdivision to read:

Subd. 2a. [LEVER MACHINE PRECINCTS.] An individual who is unable to enter a polling place where a lever voting system is used may register and vote without leaving his motor vehicle. Two election judges who are members of different political parties shall assist the voter to register. They shall provide the voter with the necessary ballots, a ballot envelope and an absentee ballot return envelope, which shall be completed by the voter, returned to the election judge, and processed pursuant to section 203B.12.

An individual who is unable to enter a voting machine booth in a precinct where a lever voting system is used shall be provided with the necessary ballots, a ballot envelope, and an absentee ballot return envelope, which shall be completed by the voter and returned to the election judge and processed pursuant to section 203B.12.

Sec. 13. [206.065] [VOTING MACHINES, ACCESSIBILITY OF BALLOT.]

Items appearing on the ballot on a voting machine must be positioned as low as possible on the machine so that individuals not able to reach the voting levers at the top of the machine may vote to the greatest extent possible without assistance.

Sec. 14. Minnesota Statutes 1983 Supplement, section 206.09, is amended to read:

206.09 [BALLOT LABELS; DIAGRAMS FOR VOTING MACHINES.]

The same authorities as are charged with providing paper ballots when such are used shall be required to provide all ballots, ballot labels and ballot cards, diagrams, sample ballots, return sheets and all other necessary supplies needed for the voting machines or electronic voting systems.

In state and county general elections the county auditor of each county in

which voting machines or electronic voting systems are used shall provide all ballots, ballot labels, ballot cards, and other necessary printed forms and supplies needed for the voting machines, including all such forms needed for placing on such voting machines, all officers, candidates and constitutional amendments and other questions and propositions which are required by the election laws to be placed on the white, pink, and canary ballots.

Except as herein provided all ballots (or ballot labels) shall be printed in black ink on clear white material of such size as will fit the ballot frame of the voting machine or as will conform to the requirements of electronic voting systems where used, and in as plain clear type as the space will reasonably permit. In primaries where electronic voting systems are used, the ballot pages for the partisan primary ballots may be different colors or may be otherwise distinctively differentiated as between parties and all pages of the partisan primary ballot of a single party shall be consecutive without the intervention of any pages of any other party. In a prominent place on such ballots there shall be conspicuously printed a notice stating in substance the effect of attempting to vote in more than one partisan primary. Preparation of separate ballots for use on separate marking devices, each ballot containing the partisan primary ballot of only one party, shall also be permitted. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name requires based upon the available space in the frame of the voting machine or upon the space available on any card, paper, booklet, or pages. Ballots (or ballot labels) for constitutional amendments or that portion of the ballot containing constitutional amendments shall be printed on material tinted pink. In a prominent place on such ballots, there shall be conspicuously printed a notice stating in substance that if a voter fails to vote on a constitutional amendment he votes, in effect, in the negative. Ballots (or ballot labels) for other questions shall be printed on material so tinted as to conform with the laws relating to paper ballots.

The authorities charged with the duty of providing ballots for any polling place where voting machines are used shall provide therefor at least two sample ballots which shall be arranged in the form of a diagram showing such part of the face of the voting machine as shall be in use at that election for voting for all candidates whose names are entitled to be placed on the ballot at such election and shall also show such part of the face of the voting machine as shall be in use for voting for all referendum questions, constitutional amendments, or other propositions; the proper authorities shall provide at least two sample ballots, ballot cards, or ballot labels which shall be arranged in the form of a diagram showing the ballot label containing the names of all candidates and propositions to be voted upon at that election in each polling place. Candidates' names shall not be rotated on such sample ballots but shall be arranged in alphabetical order for all offices where rotation of names. on the official ballots on the voting machines is required by law. Such sample ballots shall be either in full or reduced enlarged size and shall contain suitable illustrated directions for voting on the voting machine, or for operating a marking device, or such illustrated instructions shall be provided on a separate poster, to be posted adjacent to each sample ballot. Not less than two such sample ballots shall be posted in a prominent place in the polling place and shall remain open to inspection by the voters throughout the election day. The instructions shall be printed in at least 14-point bold type with heavy leading.

The county auditor may use a one inch or more space between partisan and

nonpartisan ballots, but in all cases a canary yellow color shall be used as background color on the nonpartisan ballots.

- Sec. 15. Minnesota Statutes 1982, section 206.19, subdivision 2, is amended to read:
- Subd. 2. The authorities in charge of elections shall provide adequate facilities for the instruction of voters prior to an election and cause to be placed in one or more convenient locations a voting machine with sample ballot labels affixed for the purpose of instructing voters in the operation of the machine. The facilities for the instruction of voters and the location of the voting machine so far as practicable shall be accessible to elderly and handicapped individuals. If the ballot labels that are used for this purpose are the same that will be used for the succeeding election the counting mechanism of the machine shall be concealed from view until the machine is prepared for the election and if the machine or machines are not used at the election the counting mechanism shall remain concealed from view until after the election.
 - Sec. 16. Minnesota Statutes 1982, section 206.20, is amended to read:
- 206.20 [ACCESSIBILITY; INSTRUCTIONS; ASSISTANCE TO VOTERS.]

Subdivision 1. The voting machine or machines shall be so placed and protected that each machine shall be accessible to only one voter at a time and in full view of all of the election officers and watchers at the polling place. An election judge shall inspect the face of each voting machine after each voter has voted to see that the ballot labels are in their proper places and that the machine has not been injured or tampered with. During elections the door or other compartment of the machine shall not be unlocked or opened or the counters exposed except by a custodian or other authorized person, a statement of which shall be made and signed by the custodian or authorized person and attached to the returns.

Subd. 2. For the instruction of the voters there shall be, so far as practicable in each polling place, at least one mechanical model being a mechanical reproduction of a portion of the face of the voting machine. The model shall be located during the election in some accessible place which the voter must pass to reach the machine. Every voter before entering the booth shall be instructed regarding its operation. The instruction shall be illustrated on the model and the voter given the opportunity to personally operate the model. The voter's attention shall also be called to the diagram of the face of the machine so that the voter becomes familiar with the location of the questions and the names of the offices and candidates. At least one election judge shall remain in constant attendance at the instruction model and diagram and occupy himself at all times with the duties of instructing the voters. If any voter after entering the voting machine booth asks for additional instruction in operating the machine the instruction shall be given him by two election judges who are members of different major political parties, if such there be. After giving instruction the election judges shall retire from the voting machine booth and the voter shall thereafter proceed to vote alone and in secrecy. If any voter at a primary after entering the voting machine booth and setting the primary lever of a major political party so as to release the candidates of that party for voting, and turning down levers over the names of candidates, but before recording the votes for any candidates, states to the election judges that he wishes to enter the primary of a different major political party, the entire election board shall go to the machine and shall see that all voting levers have been returned to the unvoted position so that no votes may be cast for any candidates or for or against any questions or other propositions, and the voter shall then be permitted to return the operating lever to its original position and start from the beginning once more. In each such case the entire election board shall sign a certificate stating what was done and the certificate shall be returned with the official returns of the primary.

- Subd. 3. When any voter states under oath that he cannot read English, or that he is physically unable to operate the voting machine in order to record his vote thereon, he may call to his aid two of the election judges of different major political party affiliation, who shall prepare his ballot on the machine as he may desire, and in as secret a manner as circumstances permit. When he also states that he If the voter is deaf or cannot speak the English language or understand it when spoken, the election judges may select two persons from different major political parties to act as interpreters, who shall take an oath similar to that taken by the election judges, and assist such person in voting. When the voter shall prefer Alternatively, he the voter may call to his aid any voter of the same precinct, who obtain the assistance of any individual the voter chooses. The individual who assists the voter shall take an oath that he or she is eligible to do so. Only the following persons may not provide assistance to a voter: the voter's employer, an agent of the voter's employer, an officer or agent of the voter's union, or a candidate for election. The person who assists the voter shall, unaccompanied by an election judge, may retire with him the voter to the voting machine booth and prepare such the voter's ballot on such the voting machine for him the voter; but no such person shall prepare the ballot of more than three such voters at one election. Before registering his vote such voter may show his ballot, as prepared for recording, privately to an election judge to ascertain that it is prepared as directed. No election judge or other person so assisting a voter shall in any manner request, persuade, or induce, or attempt to persuade such voter to vote for or against any particular major political party, candidate or question, but shall prepare the ballot as rquested, and shall not reveal to any other person the name of any candidate for whom the voter has voted, or anything that took place while so assisting him.
- Subd. 4. The election judges shall admit but one voter to the voting machine at one time and only after it has been ascertained that he is entitled to vote. The voting on the voting machine shall be secret except as herein provided for voters needing assistance and no voter shall remain within the voting machine booth longer than three minutes and if he shall refuse to leave it after the lapse of three minutes he shall be removed by the election judges. If necessitated by the length of the ballot or the handicap of the voter, election judges may allow a voter to remain in the voting booth longer than three minutes.
- Subd. 5. If the official ballots at a precinct at which a voting machine is to be used are not delivered at the time required, or if after delivery they shall become lost, destroyed or stolen the election judges shall immediately notify the clerk or other authority under whose direction the ballots are printed who shall cause other ballots to be prepared, printed, or written as nearly in the form of the official ballot as practicable. The election judges shall cause such substituted ballots to be used in the same manner as the official ballots.

- Subd. 6. Ballots cast for persons not nominated by the use of the machine device provided for that purpose shall be designated irregular ballots.
- Subd. 7. If any voting machine being used in any election shall become out of order during such election it shall be repaired if possible or another machine substituted as promptly as possible. In case such substitution or repair cannot be made, paper ballots printed or written, and of any suitable form may be used for the taking of votes and for such purpose voting machine sample ballots may be used.

Sec. 17. [EFFECTIVE DATE; APPLICATION.]

Sections 1 to 16 are effective August 1, 1984, except that election materials printed before the effective date of sections 1 to 16 may be used until July 1, 1985."

Delete the title and insert:

"A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1 and by adding a subdivision; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1377 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1377 1344

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1377 be amended as follows:

Page 1, line 7, after the period insert "[SUPPLEMENTAL LOCAL AID.]"

Page 1, line 10, after "between" insert "(a)"

Page 1, line 12, after "and" insert "Minnesota Statutes 1982, section 477A.014, subdivision 3, and (b)"

Page 1, line 15 after "2." insert "[TIME OF PAYMENTS.]"

Page 1, line 18, before "If" insert "However,"

Delete page 1, line 20 to page 2, line 1 and insert "article 3, section 1, and the amount distributed to it pursuant to this act exceeds the amount by which the governmental unit's levy limitation for taxes payable in 1984 exceeds its levy subject to limitation for taxes payable in 1984, the amount of that excess

distribution shall be used to reduce the governmental unit's levy limitation for taxes payable in 1985 accordingly."

- Page 2, line 2, before "For" insert "[SUBSEQUENT YEARS.]"
- Page 2, line 10, before "An" insert "[APPROPRIATION.]"

And when so amended H.F. No. 1377 will be identical to S.F. No. 1344, and further recommends that H.F. No. 1377 be given its second reading and substituted for S.F. No. 1344, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1382 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F.No. S.F.No. 1382 1354

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1382 be amended as follows:

- Page 2, line 29, insert a stricken period
- Page 2, line 33, delete "1986" and insert "1985"
- Page 3, line 2, delete the old period and insert a new period
- Page 3, line 18, delete "identifying and explaining" and insert "that identifies and explains"
 - Page 3, line 19, insert "and proposed modifications"
 - Page 4, line 4, delete "section 3" and insert "subdivision 5"

And when so amended H.F. No. 1382 will be identical to S.F. No. 1354, and further recommends that H.F. No. 1382 be given its second reading and substituted for S.F. No. 1354, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1405 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F.No. S.F.No. 1405 1328

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 1405 be amended as follows:

Page 1, delete section 2

And when so amended H.F. No. 1405 will be identical to S.F. No. 1328, and further recommends that H.F. No. 1405 be given its second reading and substituted for S.F. No. 1328, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

. H.F. No. 1408 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1408

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1408 be amended as follows:

Page 3, line 24, delete "primarily"

Page 3, line 28, strike "all" and insert "it may not be equipped with"

Page 3, lines 29 and 30, strike "shall be removed from said vehicles"

Page 4, line 18, strike "district"

Page 4, line 19, strike "such"

Page 4, line 20, strike "a" and insert "the"

And when so amended H.F. No. 1408 will be identical to S.F. No. 1446, and further recommends that H.F. No. 1408 be given its second reading and substituted for S.F. No. 1446, and that the Senate File be indefinitely post-poned.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1460 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1460 1371

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1460 be amended as follows:

Page 1, line 8, before the comma insert "and upon approval of the community college board"

And when so amended H.F. No. 1460 will be identical to S.F. No. 1371, and further recommends that H.F. No. 1460 be given its second reading and substituted for S.F. No. 1371, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1496 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1496

1395

CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1496 be amended as follows:

Page 1, line 6, delete "CONVEYANCE" and insert "LEASE"

Page 1, delete lines 7 to 11 and insert:

"The commissioner of natural resources may lease to the city of Pillager for a consideration of \$1 on an instrument approved by the attorney general the following described property located in the city of Pillager, Cass County, Minnesota:"

Page 1, delete lines 14 to 21 and insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 1, delete "conveyance" and insert "lease"

And when so amended H.F. No. 1496 will be identical to S.F. No. 1395, and further recommends that H.F. No. 1496 be given its second reading and substituted for S.F. No. 1395, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1587 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F.No. S.F.No. 1587 1553

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 1587 be amended as follows:

Page 2, line 11, delete "through" and insert "on"

Page 2, delete line 13 to page 3, line 27 and insert:

"Subd. 8. The salary plan for positions listed in section 15A.081, subdivision 1, approved by the legislative commission on employee relations on October 3, 1983, is ratified."

Page 4, line 15, after "session" insert "but before the 1985 session"

Page 4, line 19, delete the comma after "award"

Page 4, line 21, delete the comma after "awards"

Pages 4 and 5, delete sections 4 and 5 and insert:

"Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

And when so amended H.F. No. 1587 will be identical to S.F. No. 1553, and further recommends that H.F. No. 1587 be given its second reading and substituted for S.F. No. 1553, and that the Senate File be indefinitely post-poned.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1611 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1611 1508

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1611 be amended as follows:

Page 7, after line 32, insert:

"Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1984."

And when so amended H.F. No. 1611 will be identical to S.F. No. 1508, and further recommends that H.F. No. 1611 be given its second reading and substituted for S.F. No. 1508, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1516 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File

as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1516 1506

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1516 be amended as follows:

Page 4, line 4, after "or" insert ", in the case of bonds for fire protection systems,"

Page 4, line 19, after "pledged" insert "and the bonds are issued to finance a fire protection system,"

Page 4, line 20, delete the comma

And when so amended H.F. No. 1516 will be identical to S.F. No. 1506, and further recommends that H.F. No. 1516 be given its second reading and substituted for S.F. No. 1506, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 120: A bill for an act relating to counties; authorizing counties to enact ordinances against trespassing under certain conditions; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 373.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "[373.40]" and insert "[471.985]"

Page 1, line 8, after "COUNTY" insert "AND CITY"

Page 1, line 10, delete "A" and insert "The"

Page 1, line 10, after "board" insert "of any county or the city council of any home rule charter or statutory city"

Page 1, line 12, delete the second "or" and insert a period

Page 1, delete lines 13 to 14

Page 1, line 15, delete "A" and insert "The"

Page 1, line 15, after "board" insert "or city council"

Page 2, line 9, delete "Sec. 2. [373.41]" and insert "Subd.3."

Page 2, line 11, delete "section 1,"

Page 2, line 12, delete "Sec. 3. [373.42]" and insert "Subd. 4."

Page 2, line 15, delete "section 1,"

Amend the title as follows:

Page 1, line 2, delete the first "counties" and insert "local government"

Page 1, line 2, after "authorizing counties" insert "or cities"

Page 1, line 5, delete "373" and insert "471"

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1314: A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article IV, section 23; article V, sections 1, 3, and 4; article VII, section 8; article VIII, section 2; article XI, sections 6, 7, 8, and 10; and article XIII, section 11; combining the offices of state treasurer, state auditor, and secretary of state into the office of state comptroller; providing that the office of the secretary of state becomes the office of the state comptroller.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, strike "state"

Page 2, line 2, strike "state"

Page 2, line 13, strike "state"

Page 2, line 31, delete "state"

Page 3, line 13, delete "state"

Page 3, line 21, strike "state"

Page 3, line 27, strike "state"

Page 3, line 35, delete "state"

Page 4, line 26, strike "state"

Page 5, line 3, strike "state"

Page 5, line 6, strike the second "state"

Page 6, line 26, strike "state"

Page 7, line 1, strike "state"

Page 7, line 8, strike "state"

Page 7, line 10, delete "OFFICERS ELECTED IN 1986" and insert "TRANSITION"

Page 7, line 11, after the first comma, insert "the first comptroller will be elected"

Page 7, line 11, after "election" delete the comma and insert a period

Page 7, delete lines 12 to 17

Page 7, line 20, delete everything after the comma and insert "the first comptroller will be elected in 1986."

Page 7, line 21, delete everything before "The"

Page 7, line 25, delete the second "state"

Amend the title as follows:

Page 1, line 9, delete "office of the" and insert "first comptroller would be elected in 1986."

Page 1, delete lines 10 and 11

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1511, 1928, 1258, 1747, 1878, 1801, 1729, 1867, 1903, 2077, 1485, 1954, 1809 and 1546 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1377, 1382, 1405, 1408, 1460, 1496, 1587, 1611 and 1516 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Storm moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 1680. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Berg be added as a co-author to S.F. No. 1730. The motion prevailed.

Mr. Peterson, C.C. introduced-

Senate Resolution No. 92: A Senate resolution congratulating the Vikings basketball team from Pelican Rapids High School for winning the 1984 Class A Boys State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

S.F. No. 341, which the committee reports progress, after the following motion:

The question was taken on the recommendation to pass S.F. No. 341.

The roll was called, and there were yeas 21 and nays 40, as follows:

Those who voted in the affirmative were:

Adkins	Bertram	Johnson, D.E.	Peterson,R.W.	Taylor
Anderson	Chmielewski	Kamrath	Renneke	
Benson	DeCramer	Lessard	Schmitz	
Berg	Dicklich	Merriam	Solon	
Bernhagen	Frederickson	Peterson, C.C.	Stumpf	

Those who voted in the negative were:

Belanger Frederick Berglin Freeman Brataas Hughes Dahl Isackson Davis Jude Diessner Knaak Dieterich Knutson Frank Kroening	Kronebusch Laidig Langseth Lantry Luther McQuaid Mehrkens Moe, D. M.	Moe, R. D. Novak Olson Peterson, D. C. Peterson, D. L. Petty Pogemiller Reichgott	Samuelson Sieloff Spear Storm Ulland Vega Wegscheid Willet
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The motion did not prevail. S.F. No. 341 was then progressed.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mrs. Lantry introduced—

S.F. No. 2117: A bill for an act relating to the Minnesota historical society; concerning unclaimed property of historical significance; amending Minnesota Statutes 1982, sections 345.47, subdivision 1, and by adding a subdivision; and 345.525.

Referred to the Committee on Veterans and General Legislation.

Mr. Pogemiller introduced—

S.F. No. 2118: A bill for an act relating to human rights; providing for affirmative action review in state government; providing penalties; proposing new law coded in Minnesota Statutes, chapter 363.

Referred to the Committee on Governmental Operations.

Mr. Pogemiller introduced —

S.F. No. 2119: A bill for an act relating to taxation; sales; reducing the tax rate for certain capital equipment; appropriating money; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; and Minnesota Statutes 1983 Supplement, sections 297A.02, subdivision 2; and 297A.14.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ramstad introduced—

S.F. No. 2120: A bill for an act relating to taxation; income; providing an exclusion for governmental pensions; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Samuelson introduced-

S.F. No. 2121: A bill for an act relating to local government; providing for the conveyance of certain tax forfeited land in Morrison County.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Berglin introduced—

S.F. No. 2122: A bill for an act relating to medical assistance; changing responsibilities of screening teams for mentally retarded services; amending Minnesota Statutes 1983 Supplement, section 256B.092, subdivision 7.

Referred to the Committee on Health and Human Services.

Mr. Purfeerst introduced—

S.F. No. 2123: A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third judicial district; amending Minnesota Statutes 1982, section 487.191.

Referred to the Committee on Judiciary.

Messrs. Samuelson, Bernhagen, Mrs. Adkins, Messrs. Berg and Davis introduced—

S.F. No. 2124: A bill for an act relating to local government; restoring local government aid reductions; amending Minnesota Statutes 1983 Supplement, sections 477A.012; 477A.013, subdivision 1; and 477A.0131, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jude, Ms. Reichgott and Mr. Knaak introduced-

S.F. No. 2125: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 116J.28; 256.482, subdivision 2; repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8; 207, sections 6 and 42; 248, section 3; 253, section 22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section 6.

Referred to the Committee on Judiciary.

Mr. Berg introduced-

S.F. No. 2126: A bill for an act relating to agriculture; providing for a full-time extension agent for Grant County; appropriating money.

Referred to the Committee on Finance.

Mr. Dicklich introduced-

S.F. No. 2127: A bill for an act relating to corporations; authorizing the organization of employee cooperative corporations; regulating the organization and conduct of these corporations; proposing new law coded as Minnesota Statutes, chapter 302B.

Referred to the Committee on Judiciary.

Mr. Johnson, D.E. introduced-

S.F. No. 2128: A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced-

S.F. No. 2129: A bill for an act relating to retirement; benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1982, section 490.129.

Referred to the Committee on Governmental Operations.

Mr. Langseth introduced-

S.F. No. 2130: A bill for an act relating to notaries public; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, section 359.01.

Referred to the Committee on Judiciary.

Ms. Peterson, D.C. and Mr. Hughes introduced—

S.F. No. 2131: A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

Referred to the Committee on Elections and Ethics.

Ms. Peterson, D.C.; Messrs. Dicklich and Johnson, D.J. introduced—

S.F. No. 2132: A bill for an act relating to education; prohibiting use of professional strikebreakers during a teacher strike; requiring a school board to employ only teachers with entrance, continuing, or life licenses during a teacher strike; amending Minnesota Statutes 1982, sections 179.63, by adding a subdivision; and 179.68, by adding subdivisions.

Referred to the Committee on Education.

Mr. Willet introduced-

S.F. No. 2133: A bill for an act relating to Hubbard County; authorizing county appropriations to the county agricultural society and an annual levy

for that purpose.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Laidig and Frederick introduced-

S.F. No. 2134: A bill for an act relating to taxation; sales; exempting taxidermy; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen and Merriam introduced-

S.F. No. 2135: A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty introduced-

S.F. No. 2136: A bill for an act relating to the American constitution bicentennial; creating a commission to promote and coordinate commemoration of the event; appropriating money.

Referred to the Committee on Governmental Operations.

Mr. Petty introduced—

S.F. No. 2137: A bill for an act relating to public safety; religion; prohibiting regulation of hand-held candles in religious services; proposing new law coded in Minnesota Statutes, chapter 299F.

Referred to the Committee on Veterans and General Legislation.

Mr. Petty introduced-

S.F. No. 2138: A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, section 609.135, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Petty introduced-

S.F. No. 2139: A bill for an act relating to the legislature; fixing the size of the legislature; amending Minnesota Statutes 1983 Supplement, section 2.021.

Referred to the Committee on Elections and Ethics.

Mr. Petty introduced-

S.F. No. 2140: A bill for an act relating to real property; providing certain

notice of real estate tax judgment sales; amending Minnesota Statutes 1983 Supplement, section 280.01.

Referred to the Committee on Taxes and Tax Laws.

Mr. Petty introduced—

S.F. No. 2141: A bill for an act relating to motor fuels; prohibiting lead compounds and EDB additives in gasoline; amending Minnesota Statutes 1982, section 296.05, by adding a subdivision.

Referred to the Committee on Rules and Administration. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Novak introduced-

S.F. No. 2142: A bill for an act relating to taxation; motor vehicle excise; exempting certain vehicles engaged in interstate transportation; amending Minnesota Statutes 1983 Supplement, section 297B.03.

Referred to the Committee on Transportation.

Mr. Vega introduced-

S.F. No. 2143: A bill for an act relating to intoxicating liquor; authorizing the city of West St. Paul to issue two additional on-sale licenses.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mrs. Lantry and Ms. Berglin introduced—

S.F. No. 2144: A bill for an act relating to public welfare; authorizing the commissioner of public welfare to establish a special revenue account; expanding the commissioner's duties; appropriating money; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Referred to the Committee on Health and Human Services.

Mrs. Brataas introduced—

S.F. No. 2145: A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Petty introduced-

S.F. No. 2146: A bill for an act relating to local government; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, section 472A.03.

Referred to the Committee on Local and Urban Government.

Messrs. Vega, Frank, Jude and Wegscheid introduced-

S.F. No. 2147: A bill for an act relating to local government; restoring county government local government aid reductions; amending Minnesota Statutes 1983 Supplement, section 477A.012.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak introduced-

S.F. No. 2148: A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

Referred to the Committee on Agriculture and Natural Resources.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, April 2, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTIETH DAY

St. Paul, Minnesota, Monday, April 2, 1984

The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Paul Nordstrom.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Olson	Sietoff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Utland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following. House Files, herewith transmitted: H.F. Nos. 432, 1877, 1032, 1509, 1532, 1620, 1652, 1916, 1944 and 1999.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 29, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 432: A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1877: A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1934, now on General Orders.

H.F. No. 1032: A bill for an act relating to Washington county; permitting the county to assess for highway improvements within cities.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1000, now on General Orders.

H.F. No. 1509: A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1968.

H.F. No. 1532: A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1620: A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

Referred to the Committee on Health and Human Services.

H.F. No. 1652: A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1916: A resolution memorializing the President, Congress, and the United States Department of Agriculture to take speedy action to insure that frozen pizzas are wholesome, nutritious, flavorful, truthfully labeled, and entirely healthful by approving proposed standards for real cheese content on frozen meat pizzas and affirming that all meat on frozen pizzas should be cooked.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1944: A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1827.

H.F. No. 1999: A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1660, now on General Orders.

REPORTS OF COMMITTEES

- Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.
- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 1731: A bill for an act relating to taxation; providing an income tax deduction for contributions to candidates for local office; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1891: A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 626.557, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 43A.33, is amended by adding a subdivision to read:
- Subd. 2a. [ABUSE.] In a grievance or hearing proceeding involving discipline of an employee for abusing a resident of a state hospital or a state nursing home, "abuse" includes but is not limited to:
- (1) Conduct which constitutes abuse under policies or procedures adopted by state hospitals or state nursing homes; or
- (2) Any act which constitutes a violation under sections 609.221 to 609.235, 609.322, 609.342, 609.343, 609.344, or 609.345; or
- (3) The intentional and nontherapeutic infliction of physical pain or injury, or any persistent course of conduct intended to produce mental or emotional distress."

Amend the title as follows:

Page 1, line 4, delete "626.557" and insert "43A.33"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1632: A bill for an act relating to employment; providing job security for volunteer firefighters; proposing new law coded in Minnesota Statutes, chapter 181.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, before "An" insert "Except for loss of pay for time not worked."

Page 1, line 10, delete ", except for loss of pay for time not worked,"

Page 1, line 12, after "his" insert "or her"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1987: A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was re-referred

S.F. No. 1917: A bill for an act relating to economic development; providing for economic development grants to local units of government; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "PURPOSE" and insert "ADMINISTRATION"

Page 1, line 8, delete "In order to provide a broad"

Page 1, delete lines 9 to 20

Page Page 1, line 22, after "communities" insert "and recognized Indian tribal governments"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1872: A bill for an act relating to commerce; excluding certain

securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 1641: A bill for an act relating to medical assistance; providing a rate exemption for intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1983 Supplement, section 256B.501, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [FACILITY REDUCTION PLAN.]

Subdivision 1. The commissioner of public welfare shall develop a state-wide facility bed reduction plan for intermediate care facilities for the mentally retarded whose bed capacity exceeds 48 beds. The facility bed reduction plan shall include criteria for approval by the commissioner of individual facility reduction plans that: (a) are consistent with the statewide facility reduction plan; (b) result in the voluntary decertification of beds; (c) provide alternative or waivered services for residents affected by the reduction. The commissioner may authorize one or more demonstration projects to assist in the development of the statewide bed reduction plan if the commissioner is satisfied that the demonstration projects will not result in the violation of the terms and conditions of the Title XIX home and community-based services waiver for the mentally retarded.

Subd. 2. The commissioner may grant exceptions to any rate limitation including the investment per bed limit established pursuant to the applicable rate setting rule to those facilities with reduction plans approved pursuant to subdivision 1. To the extent that the rate limit is exceeded because of the bed reduction, the commissioner shall not approve any rate limitation exception which exceeds by more than ten percent the mean of the allowable payment rates established pursuant to the applicable rate setting rule. The commissioner may allow the exception to the rate limitation for a period not to exceed three consecutive years.

Sec. 2. [RULES.]

The commissioner of public welfare shall promulgate temporary and permanent rules to implement the provisions of section 1.

Sec. 3. [APPROPRIATIONS.]

- (a) One line item position is authorized for the implementation of this act.
- (b) The sum of \$45,000 is appropriated from the general fund to the commissioner of public welfare for the purposes of implementing this act.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to health; providing a facility reduction plan; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 727: A bill for an act relating to public welfare; establishing a demonstration project, subject to local approval, for providing mental health and chemical dependency services in the counties of Aitkin, Itasca, and Koochiching; proposing new law coded in Minnesota Statutes, chapter 246.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [246.70] [MENTAL HEALTH, CHEMICAL DEPENDENCY DEMONSTRATION PROJECTS.]

Subdivision 1. [ESTABLISHMENT OF PROJECTS.] The commissioner of public welfare shall establish projects to demonstrate the feasibility of providing continuums of mental health and chemical dependency services through block grants in order to encourage the development of community based treatment services, create an incentive to use the least restrictive treatment alternative, accomplish appropriate use of state hospitals, and promote long-term health care cost containment and state budget predictability. Projects may be established in any or all of the following counties: Freeborn, Goodhue, Houston, Olmsted, Steele, and Winona. For purposes of this section, "commissioner" means the commissioner of public welfare.

- Subd. 2. [PRIMARY PROVIDERS.] Each county participating in a project shall be a primary provider. The commissioner shall contract with each primary provider concerning the obligations relating to the demonstration project including services to eligible individuals, accounting for money received, reporting and evaluation, and maintenance of services and expenditures. A primary provider may contract with other providers to provide any of the required services. Each primary provider is responsible for (1) ensuring that services are delivered, directly or under contract with other providers, to individuals needing them; (2) monitoring and evaluating delivery of services; (3) accounting for all money received through the block grant; and (4) compliance with the provisions of this section and standards established for the project by the commissioner.
- Subd. 3. [BLOCK GRANT, RISK.] The commissioner shall make a grant to each participating county of an amount equal to the state hospital per diem rate less the county share multiplied by the total number of patient days for mentally ill and chemically dependent patients for whom that county was the financially responsible county in state fiscal year 1983, excluding patients in the Minnesota security hospital, multiplied by two, for each two year project.

The entire block grant shall be paid in advance at the time of commencement of the project. The counties may distribute all or part of the block grants to other providers for services and may enter contracts concerning payment for services, allocation of risk, and other matters. Each primary provider shall maintain all block grant funds in an interest-bearing dedicated account and account for all withdrawals from the account. All block grant funds and all interest earned from block grant funds must be used to support, create, expand, or improve services to the mentally ill and chemically dependent. Each primary provider is liable for providing the services required by this section to eligible individuals throughout the period of the demonstration project. The primary provider bears the risk that the cost of providing services may exceed the amount of the block grant. Neither the commissioner nor any local unit of government other than the primary provider is liable for costs in excess of the block grant.

- Subd. 4. [RELATION TO OTHER FUNDS AND SERVICES.] During the period of the demonstration projects, the participating counties and the state shall not, because of the projects, reduce or supplant existing services or expenditures for services to adults who are mentally ill or chemically dependent except as required by this section. There shall be no loss of state hospital positions as a result of this section until an appropriate staff to patient ratio is reached in each state hospital. The commissioner shall seek reimbursement for the cost of services provided to eligible individuals as patients in a state hospital. A primary provider may seek reimbursement for the cost of all other services when available through private insurance, medical assistance, general assistance medical care, or other public or private sources.
- Subd. 5. [ELIGIBILITY.] Individuals entitled to services provided through the demonstration projects are all individuals 18 years of age and older who are mentally ill or chemically dependent as defined by the commissioner, including individuals in state hospitals and individuals proposed or eligible for admission to state hospitals according to standards in effect on the effective date of this section, for whom the participating counties are the counties of financial responsibility. Individuals residing in the Minnesota security hospital are not eligible for services under this section.
- Subd. 6. [STATE HOSPITAL PATIENTS.] The primary provider is liable for the cost of care of patients in state hospitals who are eligible to receive services from the primary provider under subdivision 5, including patients in state hospitals at the time of commencement of the project. The primary provider is not liable for the cost of care of patients residing in the Minnesota security hospital. The primary provider is liable for the cost of care of eligible state hospital patients at a rate equal to the full per diem charge at the time of treatment, except that if reimbursement is available for a state hospital patient, the commissioner shall obtain the payment and submit a bill to the primary provider only for any difference between the reimbursement and the full per diem charge. The commissioner and state hospital staff shall cooperate with providers in developing and implementing a system for screening admissions and notifying the provider of the admissions and discharges of eligible individuals for whom the primary provider is financially responsible. The primary provider is not liable for the costs of care of patients admitted to a state hospital without the prior authorization of the primary provider unless the primary provider is notified within 72 hours of admission.

- Subd. 7. [SERVICES.] Each primary provider shall ensure that mental health services and chemical dependency services are provided to adults requiring them and eligible under subdivision 7. The services provided shall be the least restrictive alternative available to meet the needs of each individual, based on the individual's treatment plan. The primary provider shall ensure that at least the following services for mental health and for chemical dependency are available and provided as necessary through facilities or individuals meeting current licensure, approval, or certification requirements: outpatient treatment, emergency care services, day treatment, screening and assessment, consultation and education, inpatient treatment, and residential and transitional living programs. A primary provider may provide services directly, purchase or contract for services, or make grants to other providers to develop services. Primary providers and providers contracting to provide services within a project shall establish a system for notifying both current Minnesota state hospital employees and former employees who are unemployed of any employment opportunities that arise as a result of the project and shall implement a hiring preference for current and former state hospital employees over similarly qualified applicants when filling available positions.
- Subd. 8. [ASSESSMENT, INDIVIDUAL TREATMENT PLAN.] The primary provider shall ensure that each individual is assessed by a multi-disciplinary team to determine the individual's need for services and that an individual treatment plan is developed to govern provision of services utilizing the least restrictive alternative available to meet the individual's needs. The individual shall be reassessed at least quarterly and the individual treatment plan modified, if necessary, to continue to provide the least restrictive alternative available to meet the individual's needs. An eligible individual who is a medical assistance recipient and any guardian, responsible relative, or other person involved in committing the eligible individual under chapter 253B shall be encouraged to consider the alternatives to state hospital commitment available through the primary provider. When committing a resident of a participating county under chapter 253B, the committing court is encouraged to commit the person to the primary provider or to the facility designated by the primary provider, absent good cause to the contrary. For any individual committed to the primary provider under the Commitment Act, chapter 253B, the primary provider shall assess the individual's need for services, develop an individual treatment plan as provided in this subdivision, and ensure that necessary services are provided in accordance with this section and chapter 253B.
- Subd. 9. [RE-INSURANCE.] The primary provider and any other provider of services through the demonstration project may contract with an insurer, health care provider, or nonprofit health service plan corporation to provide insurance or similar protection against the cost of care or to provide coverage against the risks of providing services within the block grant amount. The patients served through the demonstration project are a permissible group under group insurance laws and the Nonprofit Health Service Plan Corporation Act. Under this type of contract, the insurer or corporation may make benefit payments to a participating provider for services rendered or to be rendered to a patient. An insurer or nonprofit health service plan corporation licensed to do business in this state may provide this insurance or similar protection.

simultaneously a participant in a project established under this section and in the prepayment demonstration project established under section 256B.69, the primary provider for that county is liable for the cost of care of eligible individuals who are patients in a state hospital but the primary provider is not responsible for other services to otherwise eligible individuals who are participants in the prepayment demonstration project.

Subd. 11. [REPORTING, EVALUATION.] Before the implementation of the projects, the commissioner shall, in consultation with the primary providers, develop a reporting and evaluation method including (1) a record of programs and services provided to eligible individuals; (2) a system for evaluating patient satisfaction; (3) criteria for measuring the extent to which objectives of the project are met, including the creation of employment opportunities for state hospital workers; (4) a comparison of the costs and effects of providing services through the demonstration project and through the existing system in non-project areas; (5) data necessary to enable the state to develop capitated rates for future programs; and (6) other information the commissioner deems appropriate. The reporting and evaluation method shall provide for the preservation of the confidentiality of records in accordance with state and federal laws and regulations.

The commissioner shall report to the legislature on the implementation and progress of the projects on January 1, 1986, and January 1, 1987, and shall make a final report including an evaluation and conclusions concerning the projects by January 1, 1988.

Subd. 12. [REPEALER.] This section is repealed effective June 30, 1988.

Sec. 2. [APPROPRIATION.]

There is appropriated from the general fund of the state treasury the sum of \$..... to the commissioner of public welfare for the purposes of this act. The appropriation is available until expended. No more than \$.... of the appropriation may be spent for administrative expenses.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for each county electing to participate only if the county board of that county has approved the implementation of the project. The failure to participate of any one or more counties shall not affect the effectiveness of this act for a county that has approved the project."

Delete the title and insert:

"A bill for an act relating to public welfare; requiring the commissioner to establish demonstration projects to provide mental health and chemical dependency services; appropriating money; proposing new law coded in Minnesota Statutes, chapter 246."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1983: A bill for an act relating to economic security; clarifying the emergency employment development jobs program; regulating the payment

of cash allowances; amending Minnesota Statutes 1983 Supplement, sections 256D.111, subdivision 2; 256D.112; 268.80; and 268.81.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 34, delete "welfare"

Page 2, line 36, delete "of public welfare"

Page 3, line 5, after "employment" insert a comma

Page 3, line 7, delete "of public welfare"

Page 3, line 8, before "A" insert "The exemption of"

Page 3, line 8, delete "exempt under clause" and insert "described in clauses"

Page 3, line 12, delete "256D.12" and insert "256D.112"

Page 4, line 28, delete "employment"

Page 5, line 10, delete "payments"

Page 5, line 11, after the first "of" insert "a"

Page 5, line 12, delete "payment"

Page 5, line 12, after "include" insert "a written"

Page 5, line 13, delete "meets the general"

Page 5, delete lines 14 to 16

Page 5, line 17, delete "if the person has applied" and insert "applies"

Page 5, line 19, after "allowance" insert ", the person shall be deemed eligible for general assistance, and shall be paid general assistance to cover the period immediately following the period covered by the allowance"

Page 6, line 20, delete "cash"

Page 6, line 21, delete "a cash" and insert "an"

Page 6, line 23, delete "payment"

Page 6, line 23, after "a" insert "written"

Page 6, line 24, delete "meets the general"

Page 6, delete lines 25 to 27

Page 6, line 28, delete "if the person has applied" and insert "applies"

Page 6, line 30, after "allowance" insert ", the person shall be deemed to be eligible for general assistance, and shall be paid general assistance to cover the period immediately following the period covered by the allowance"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which

was referred

S.F. No. 1838: A bill for an act relating to public welfare; requiring county boards to provide services to mentally ill persons; specifying duties of the commissioner; authorizing rulemaking; proposing new law coded as Minnesota Statutes, chapter 253C.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, delete "staff"

Page 2, line 14, delete "other" and insert "a" and delete "professionals are" and insert "professional is"

Page 3, after line 5, insert:

"For the purposes of sections 1 to 4, "mental health professional" does not include state hospital employees."

Page 3, line 30, delete "therapy" and insert "psychotherapy"

Page 4, line 13, delete "are" and insert "is"

Page 4, line 29, delete "on" and insert "for"

Page 5, lines 7, 16, and 17, delete "July" and insert "January"

Page 5, line 12, delete "biennially" and insert "annually"

Page 6, line 5, delete "at the most appropriate"

Page 6, line 6, delete "level," and after "restrictive" insert "and most appropriate"

Page 6, line 7, delete ", for each mentally ill person,"

Page 6, delete lines 15 to 18 and insert:

"(c) Voluntary participation of the client is preferred in the planning and delivery of services and, when clinically appropriate, family members shall be included at the earliest possible point of intervention."

Page 6, after line 18, insert:

"Sec. 5. [APPROPRIATION.]

There is appropriated \$..... from the general fund to the commissioner of public welfare for the purposes of sections 1 to 4."

Page 6, line 19, delete "5" and insert "6"

Amend the title as follows:

Page 1, line 4, before the second semicolon, insert "; appropriating money"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1634: A bill for an act relating to health; removing the require-

ment of application for a federal waiver for services for the mentally retarded; repealing Minnesota Statutes 1983 Supplement, sections 252.28, subdivision 4; 252.291; 256B.092; 256B.501, subdivisions 1, 4, and 10; 256B.503; and Laws 1983, chapter 312, article 9, sections 10 and 11.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [246.023] [INTERAGENCY BOARD.]

Subdivision 1. [LEGISLATIVE POLICY.] It is recognized that closure and consolidation of state hospitals have negative economic effects upon public employees and communities. It is the policy of the state that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interests of employees and communities affected by depopulation of state institutions.

- Subd. 2. [STUDY.] A comprehensive study shall be conducted by the state planning agency to provide information on topics to include, but not be limited to, the following:
- (1) projected displacement of employees because of closure and consolidation mitigated through attrition, retirement, and transfer;
- (2) the development of cooperative arrangements between the state and counties in the carrying out of these goals;
- (3) the necessary changes in the biennial budget to effect any fiscal and policy recommendations of the plan;
- (4) the necessary interagency agreements among and between appropriate departments and agencies as needed to effect the recommendations contained in the plan;
 - (5) the energy efficiency of all state hospital buildings.
- Subd. 3. [PLAN.] The director of the state planning agency shall develop a plan to provide for arrangements to protect the interests of employees and communities affected by displacement, including arrangements that preserve employment rights and benefits, provide training and retraining of employees and, to the extent possible, guarantee the employment of these employees. In addition, the plan shall propose specific methods for assuring minimal impact on the economic life of affected communities as state hospital programs are closed or consolidated. The plan shall specify strategic goals for dealing with employees and communities, to include, but not be limited to, the following:
- (1) collective bargaining agreements including seniority, vacation, health insurance and other contractual benefits and pension rights;
- (2) maximum utilization of state hospital employees in the provision of non-institutional services to the mentally retarded;
- (3) utilization of no lay-off agreements where deinstitutionalization causes displacement of employees;
 - (4) development of non-institutional, state-operated services for the men-

tally retarded, including community based intermediate care facilities for the mentally retarded, supported living arrangements, semi-independent living arrangements, day activity services, and other services;

- (5) methods for ensuring that staff displaced by termination of programs at state hospitals are utilized to provide needed services within the continuum of care for individuals;
- (6) alternative use of state hospital facilities made available by program closures;
 - (7) community retraining options for displaced personnel;
- (8) specific methods for involving the following groups in the planning process: parents and guardians of hospital, residents, community business and economic leaders, and affected exclusive representatives;
- (9) preparation of an economic impact statement and alternative economic development strategies for each state hospital region likely to be affected by program reductions in the regional state facility, and
- (10) review of and planning for changes in community based services that result from deinstitutionalization.
- Subd. 4. [IMPLEMENTATION; REPORT.] The department of public welfare shall implement all or part of the plan required under subdivision 3 as soon as feasible and shall establish pilot demonstration projects, as appropriate, for that purpose. Priority should be given to projects which focus on alternative community systems for care of deinstitutionalized state hospital patients. All existing licensing standards and reimbursement procedures shall be applicable to demonstration projects established under this section. The department of public welfare shall report to the legislature by January 31, 1985, and annually thereafter, concerning progress in developing and implementing the plan. The report shall include information on the economic consequences of deinstitutionalization policies on state hospital employees and communities. The report shall explain how the plan will mitigate negative economic impact upon state employees and communities.

Sec. 2. [APPROPRIATIONS; UNCLASSIFIED POSITIONS.]

The sum of \$500,000 is appropriated from the general fund to the commissioner of public welfare and the state planning agency for the purposes of implementing section 1, subdivisions 3 and 4. Up to 50 percent of this amount may be expended for unclassified staff or contracts with other agencies or outside consultants.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state hospitals; requiring the state planning agency to develop a plan to be implemented by the department of public welfare to protect state hospital employees and communities affected by deinstitutionalization policies; appropriating money; proposing new law coded in Minnesota Statutes, chapter 246."

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1719: A bill for an act relating to taxation; property; providing that certain instruments may be recorded without an auditor's certificate; amending Minnesota Statutes 1982, section 272.12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 20, after "instrument" insert ": (1)"

Page 2, line 22, after "developments" insert "; or (2) creating an easement or license upon the land of the association or upon other land for the benefit of the association,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1973: A bill for an act relating to persons handicapped in communication; requiring the arresting officer to immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, section 611.32.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 546.42, is amended to read:

546.42 [PERSONS HANDICAPPED IN COMMUNICATION; INTER-PRETERS.]

For the purposes of sections 546.42 to 546.44 a person handicapped in communication is one who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend difficulty in speaking or comprehending the English language, is unable to fully understand the proceedings in which he is required to participate, or when named as a party to a legal proceeding, is unable by reason of the deficiency to obtain due process of law.

Sec. 2. Minnesota Statutes 1982, section 611.31, is amended to read:

611.31 [HANDICAPPED PERSON.]

For the purposes of sections 611.30 to 611.34, "person handicapped in communication" means a person who: (a) because of a hearing, speech or other communication disorder, or (b) because of the inability to speak or comprehend difficulty in speaking or comprehending the English language, cannot fully understand the proceedings or any charges made against him, or is incapable of presenting or assisting in the presentation of his defense.

Sec. 3. Minnesota Statutes 1982, section 611.32, is amended to read:

611.32 [PROCEEDINGS WHERE INTERPRETER APPOINTED.]

Subdivision 1. [PROCEEDINGS AND PRELIMINARY PROCEEDINGS INVOLVING POSSIBLE CRIMINAL SANCTIONS OR CONFINEMENT.] In any proceeding wherein in which a handicapped person handicapped in communication may be subjected to confinement or criminal sanction, or in any proceeding preliminary thereto to that proceeding, including coroner's inquest, grand jury proceedings, and proceedings relating to mental health commitments, the presiding judicial officer shall appoint a qualified interpreter to assist the handicapped person handicapped in communication and any witness handicapped in communication throughout the proceedings.

Subd. 2. [PROCEEDINGS AT TIME OF APPREHENSION OR AR-REST.] Upon Following the apprehension or arrest of a person handicapped in communication for an alleged violation of a criminal law and, the arresting officer, sheriff or other law enforcement official shall immediately make hecessary contacts to obtain a qualified interpreter and shall obtain an interpreter at the earliest possible time at the place of detention. A law enforcement officer shall, with the assistance of the interpreter, explain to the person handicapped in communication, all charges filed against him or her, and all procedures relating to his or her detainment and release. The interpreter shall also assist the person with all other communications, including communications relating to needed medical attention. Prior to interrogating or taking the statement of a handicapped the person handicapped in communication, the arresting officer, sheriff, or other law enforcement official shall make available to said the person, at the earliest possible time, a qualified interpreter to assist such the person throughout such the interrogation or taking of a statement."

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 546.42; 611.31; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1974: A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction contracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1849: A bill for an act relating to crimes; prohibiting the purchase or sale of human organs; amending Minnesota Statutes 1982, section 145.422, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "or" insert "living"

Page 1, lines 19 and 20, delete "is effective the day following final enactment, and"

Page 1, line 20, delete "that date" and insert "August 1, 1984"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1836: A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivision 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, strike everything after the period

Page 1, strike lines 19 and 20

Page 1, line 21, strike everything before "The"

Page 4, lines 15 to 17, reinstate the stricken language

Page 4, after line 20, insert:

- "(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.
- Sec. 4. Minnesota Statutes 1982, section 626.556, subdivision 3, is amended to read:
- Subd. 3. [PERSONS MANDATED TO REPORT.] A professional or his delegate who is engaged in the practice of the healing arts, social services, hospital administration, psychological or psychiatric treatment, child care, education, or law enforcement who has knowledge of or reasonable cause to believe a child is being neglected or physically or sexually abused shall immediately report the information to the local welfare agency, police department or the county sheriff. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff. Nothing in this subdivision shall be construed to require more than one report from any institution, facility, school or agency.

Any person not required to report under the provisions of this subdivision may voluntarily report to the local welfare agency, police department or the county sheriff if he has knowledge of or reasonable cause to believe a child is being neglected or subjected to physical or sexual abuse. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency.

A person mandated to report suspected physical or sexual child abuse or neglect occurring within a licensed facility shall report the information to the agency responsible for licensing the facility. A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and 10b.

Any person who makes a report shall, upon request to the local welfare agency, receive a concise summary of the disposition of the report, unless release would be detrimental to the best interests of the child."

- Page 4, line 26, after "report" insert "or assisting in an assessment"
- Page 4, line 36, after "agency" insert "or local law enforcement agency"
- Page 5, line 1, reinstate the stricken language and before "assessment" insert "or" and delete "interview"
- Page 5, line 10, after "AGENCY" insert "AND LOCAL LAW EN-FORCEMENT AGENCY"
- Page 5, line 24, after "report" insert "and of the local law enforcement agency"
- Page 5, line 31, strike "or" and after "guardian" insert ", or school official"
 - Page 5, line 33, reinstate the stricken language
 - Page 5, line 34, before "assessment" insert "or"
 - Page 6, line 4, after "welfare" insert "or local law enforcement"
- Page 6, line 10, after the period, insert "For interviews conducted by the local welfare agency,"
 - Page 6, line 11, strike the first comma and insert "and"
- Page 6, line 13, before the period, insert ", but the local welfare agency, or the local law enforcement agency shall have the exclusive authority to determine who may attend the interview"
- Page 6, line 18, before the period, insert "or local law enforcement agency. Where the school fails to comply with the provisions of this section, the juvenile court may order the school to comply with this provision"
- Page 6, line 21, reinstate the stricken "investigation" and before "assessment" insert "or" and delete "interview"
- Page 6, line 31, after "agency" insert "or the local law enforcement agency"
 - Page 7, line 8, strike "and" and insert a comma
 - Page 7, line 9, reinstate the stricken language and delete "assessing"
- Page 7, line 9, after "reports" insert ", and the local law enforcement agencies"
- Page 7, lines 11 to 18, reinstate the stricken language and delete the new language
 - Page 7, delete section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "subdivision" and insert "subdivisions 3 and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1772: A bill for an act relating to crimes; defining sports bookmaking; amending Minnesota Statutes 1983 Supplement, section 609.75, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1982, section 299C.065, subdivision 1, is amended to read:

Subdivision 1. The commissioner of public safety shall make grants to local officials for the cooperative investigation of cross jurisdictional criminal activity relating to the possession and sale of controlled substances, receiving or selling stolen goods, participating in gambling activities in violation of section 609.76, violations of section 609.32, subdivision 2 or subdivision 3, clause (3) or (6) 609.322, 609.323, or any other state or federal law prohibiting the recruitment, transportation, or use of juveniles for purposes of prostitution."

Page 1, line 11, delete "six-month" and insert "one-month"

Page 1, line 11, after "bets" insert a comma

Page 1, line 12, delete "more than five"

Page 1, line 12, delete "which" and insert ", that"

Page 1, line 13, strike "\$1,500" and insert "\$2,500"

Page 1, line 16, delete "Section 1 is" and insert "Sections 1 and 2 are"

Page 1, line 16, delete "applies" and insert "apply"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "amending" insert "Minnesota Statutes 1982, section 299C.065, subdivision 1; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1785: A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minnesota Statutes 1982, section 628.26; Min-

nesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 24, delete the new language and after "(3)" strike "(a), (b)" and strike "(c)"
 - Page 3, line 15, after "subdivision 2" insert ", clause"
 - Page 3, line 25, delete "Sections 1 and 2 are" and insert "Section 1 is"
 - Page 3, line 25, delete "apply" and insert "applies"
- Page 3, line 26, after the period, insert "Section 2 is effective August 1, 1984."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1441: A bill for an act relating to the operation of the department of economic security; funding sheltered workshop and work activity programs based on evaluated effectiveness; defining sheltered employee; requiring rulemaking and a report to the legislature; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 129A.01, is amended to read:

129A.01 [DEFINITIONS.]

For the purposes of this chapter, the following terms shall have the meanings given them:

- (a) "Department" means the department of economic security;
- (b) "Commissioner" means the commissioner of economic security;
- (c) "Vocational rehabilitation services" means those services and goods so defined in the federal Rehabilitation Act of 1973 and section 3, clause (b);
- (d) "Handicapped person" means a person who because of a substantial physical, mental or emotional disability or dysfunction requires special services in order to enjoy the benefits of society;
- (e) "Long-term sheltered workshop" means a facility where any manufacture or handiwork is carried on and which is operated for the primary purpose of providing remunerative employment to those handicapped persons who, as a result of physical or mental disability, are unable to participate in competitive employment. A long-term sheltered workshop shall supply such employment (1) as a step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market, or (2) during

such time as employment opportunities for them in the competitive labor market do not exist;

- (f) "Work activity program" means a program which utilizes manufacturing activities and other production work for the primary purpose of providing basic vocational skills development for the handicapped;
- (g) "Sheltered employee" means a handicapped person working for pay while participating in a long-term sheltered workshop program.
 - Sec. 2. Minnesota Statutes 1982, section 129A.08, is amended to read:

129A.08 [COMMISSIONER'S DUTIES; LONG-TERM SHELTERED EVALUATION AND FUNDING OF WORKSHOPS AND WORK ACTIVITY PROGRAMS.]

Subdivision 1. [GRANTS.] The commissioner may make grants to assist cities, towns, counties, nonprofit corporations, or any combination thereof in the establishment, operation and expansion of long-term sheltered workshops or work activity programs. The commissioner may accept federal grants or aids and shall cooperate with federal agencies in any reasonable manner necessary to qualify for federal grants or aids for long-term sheltered workshops or work activity programs.

Subd. 2. [EVALUATION; STATE FUNDING.] At the beginning of each fiscal year, the commissioner shall allocate available funds to long-term sheltered workshops and work activity programs for disbursement during the fiscal year in accordance with approved plans or budgets. The commissioner shall study and recommend to the legislature by March 1, 1985, new allocation formulas which take into consideration effectiveness of the workshop. In its recommendation the commissioner shall calculate the fiscal impact of the various formulas on each workshop and the extent to which a workshop can utilize new allocation formulas. The commissioner shall develop forms to assist the workshops in collecting data necessary to complete the evaluation. Information needed to conduct the evaluations must be submitted by the workshops along with the annual requests for funding. Failure to submit documentation requested by the commissioner shall result in the withdrawal of all state funding for the workshop.

The commissioner shall from time to time during the fiscal year review the budgets and expenditures of the various workshops and programs and. If funds are not needed for the workshop or program to which they were allocated, he the commissioner may, after reasonable notice and opportunity for hearing, withdraw such funds as are unencumbered and reallocate them to other workshops or programs. He The commissioner may withdraw funds from any workshop or program which is not being administered in accordance with its approved plan and budget and with relevant department rules unless a modified plan and budget is submitted to and approved by the commissioner, and implemented within a reasonable time.

The commissioner shall also withdraw funds from a workshop or program not being administered according to department rules, or not meeting mandatory standards for certification, unless a plan bringing the workshop or program into compliance with the rules and standards is submitted to and approved by the commissioner and implemented within a reasonable time.

Subd. 3. [OPERATING COSTS FUNDED.] The grant may not exceed an

amount equal to 75 percent of the normal operating expenses of the long-term sheltered workshop or work activity program. Wages paid elients sheltered employees or long term work activity program participants are to be excluded in determining operating cost. In the event that there are inadequate funds appropriated to meet the foregoing provisions in full, they shall be prorated proportionately.

- Subd. 4. [EVALUATION OF WORKSHOPS.] The workshop evaluation must include, but not be limited to, the following considerations:
- (a) Wages and benefits paid to sheltered employees and number of hours worked;
 - (b) Rate of placement in competitive employment;
- (c) Opportunities for sheltered employees to participate in decisions affecting their employment;
 - (d) Workshop responsiveness to sheltered employees grievances;
 - (e) Increases in individual sheltered employee productivity;
- (f) Implementing innovative ways to increase placement and retention of sheltered employees in competitive employment, or in sheltered positions with competitive employers, or innovative ways that increase sheltered employee wages;
 - (g) Efficiency of the workshops; and
- (h) Types and levels of disability of the sheltered employees and willingness of the workshop to accept and assist persons with serious behavioral, mental, sensory or physical disabilities.

The evaluation must take into account the disability levels of the sheltered employees, the geographic location and size of the workshop and the economic conditions of the surrounding community.

- Subd. 4 5. [RULE AUTHORITY.] In addition to the powers already conferred on him by law, the commissioner shall promulgate rules in regard to the following matters on:
- (a) state certification of all long-term sheltered workshops and work activity programs;
- (b) eligibility of community long-term sheltered workshops and work activity programs to receive state grants;
- (c) standards for qualification of personnel and quality of professional service and for in-service training and education leave programs for personnel;
- (d) eligibility for service so that no person will be denied service on the basis of race, creed or color;
 - (e) regulatory fees for consultation services; and
- (f) standards and criteria by which handicapped persons are to be judged eligible for the services;
 - (g) evaluation criteria for long-term sheltered workshops; and
 - (h) program evaluation criteria for work activity programs in order to de-

termine the extent to which these programs meet the goals and objectives established in state and federal law relating to work activity programs.

The rules on evaluation criteria for long-term sheltered workshops must be in effect by July 1, 1985. The rules must be used in making allocations for fiscal years beginning after June 30, 1986.

Subd. 6. [TECHNICAL ASSISTANCE.] The commissioner shall provide technical assistance within available resources to workshops and programs based on the need reflected in an evaluation.

Sec. 3. [REPORT TO LEGISLATURE.]

The commissioner shall report to the legislature by March 1, 1985, on the progress in implementing section 2, subdivision 5. The report shall include a draft of the proposed rule and current information on the status of rule development."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1986: A bill for an act relating to public employment labor relations; recodifying the public employment labor relations act; proposing new law coded as Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1982, sections 179.61 to 179.76, as amended.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after the period, insert "The intent of this act is to eliminate obsolete and redundant language, arrange the provisions governing public sector labor relations in a more logical order, and make the law easier to read and understand."

Page 2, line 29, delete "section" and insert "sections" and after "179A.09" insert "to 179A.11"

Page 6, line 18, delete everything after "replace"

Page 6, line 19, delete "working days, a" and insert "an absent"

Page 6, line 20, after "employee" insert ", where the replacement employee is employed more than 30 working days as a replacement for that teacher or faculty member"

Page 6, line 27, delete "179A.22" and insert "179A.10 for executive branch employees"

Page 9, line 18, after "for" insert "interest"

Page 9, line 31, after "all" insert "decisions of"

Page 9, line 36, delete "3" and insert "4"

Page 12, line 22, delete "other"

Page 12, line 28, delete "supervisory essential employees" and insert

"supervisors"

Page 12, line 28, after "are" insert ": (1) firefighters, peace officers subject to licensure under sections 626.84 to 626.855, guards at correctional facilities, or employees at hospitals other than state hospitals; and (2)"

Page 14, line 30, delete "ordinace" and insert "ordinance"

Page 15, line 7, delete "employed"

Page 21, line 33, delete "their" and insert "its"

Page 29, line 1, delete "BINDING" and insert "INTEREST"

Page 29, line 1, delete "FOR NONESSENTIAL"

Page 29, line 2, delete "EMPLOYEES"

Page 29, line 3, delete "INTEREST ARBITRATION" and insert "NONESSENTIAL EMPLOYEES"

Page 29, line 18, delete "BINDING ARBITRATION PETITIONS FOR"

Page 30, line 10, after "certified" insert "to"

Page 30, line 19, delete the last "or"

Page 30, line 20, delete "regulations"

Page 30, line 20, after the first comma, insert "or"

Page 30, line 20, delete the second "municipal"

Page 30, line 21, delete "municipal"

Page 30, line 21, delete "which" and insert ", provided that the rules, charters, ordinances and resolutions"

Page 31, line 13, delete "For supervisory employees,"

Page 31, delete lines 14 to 17

Page 31, line 18, delete "to the panel."

Page 37, after line 12, insert:

"Subd. 2. [NO CONTRACT PROVISIONS CONTRARY TO LAW.] No provision of a contract shall be in conflict with:

(1) the laws of Minnesota; or

(2) rules promulgated under law, or municipal charters, ordinances, or resolutions, provided that the rules, charters, ordinances, and resolutions are consistent with this chapter."

Page 37, line 13, delete "2" and insert "3"

Page 37, line 23, delete "3" and insert "4"

Page 38, line 9, delete "4" and insert "5"

Page 38, line 15, delete "5" and insert "6"

Page 38, line 28, delete "the chairman"

Page 38, line 29, delete the first "of"

- Page 42, line 8, delete the second "Subd. 4" and insert "Subd. 5"
- Page 42, line 11, delete "Subd. 3" and insert "Subd. 4"
- Page 42, line 15, delete "Subd. 3" and insert "Subd. 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1597: A bill for an act relating to local government; establishing a grant program for the planning and provision of joint municipal services by local governmental units; appropriating money; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [471.595] [JOINT MUNICIPAL SERVICES GRANT.]

- Subdivision 1. [ESTABLISHMENT OF GRANT PROGRAM.] The joint municipal services grant program is established to assist and encourage cooperation among local governmental units to provide joint municipal services as authorized by section 471.59, excluding cities of the first class. The state planning agency may make grants to governmental units to plan joint municipal services including public safety, building code enforcement, assessments, public works, recreation programs, and economic development. For the purposes of this section, "governmental unit" has the meaning given in section 471.59, subdivision 1.
- Subd. 2. [GRANT REVIEW AND APPROVAL.] The state planning agency shall establish criteria for grant approval and review and approve grant applications. The basis for the criteria shall be the provision of better or more economical municipal services. The agency grant may not exceed 75 percent of the cost to the units to plan the joint services or \$15,000, whichever is less.
- Subd. 3. [AID.] Upon approval by the agency of a plan to provide joint services, the affected units shall receive for the four succeeding years additional aid as provided in this subdivision. Each unit shall receive in each year an amount equal to ten percent of the part of the aid allowed to the unit in that year under chapter 477A that is the same proportion of the entire aid that the cost of the joint municipal service is of the entire municipal budget in the current calendar year.

Sec. 2. [APPROPRIATION.]

- \$...... is appropriated from the general fund to the director of the state planning agency to be used for the purposes of section 1, subdivisions 1 and 2.
- \$..... is appropriated from the general fund to the commissioner of revenue to make the aids payments provided by section 1, subdivision 3."

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1931: A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "of" insert "one" and delete "detectors" and insert "detector"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1880: A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1927: A bill for an act relating to St. Louis County; establishing positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1770: A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1771: A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was re-referred

S.F. No. 1975: A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "INTENT" and insert "PURPOSE"

Page 1, delete lines 20 to 31

Page 2, delete lines 1 to 15

Page 2, line 16, delete "Subd. 2. [PURPOSES.]"

Page 2, line 16, delete "19" and insert "18"

Page 4, lines 12 and 13, strike "or exempt from registration"

Page 4, lines 13 and 14, strike "and registered or exempt from registration under the Securities Act of 1933"

Page 4, line 29, reinstate the semicolon

Page 4, after line 29, insert:

(d) An offer in which the target company is an insurance company subject to regulation by the commissioner, a financial institution regulated by the commissioner, or a public service utility subject to regulation by the public utilities commission"

Page 4, line 36, after "of" insert "publicly traded equity"

Page 5, line 8, after the period, insert "For the purposes of this chapter, an equity security is publicly traded if a trading market exists for the security at the time the offeror makes a take-over offer for the security. A trading market exists if the security is traded on a national securities exchange, whether or not registered to the Securities Exchange Act of 1934, or the over-the-counter market."

Page 7, line 20, after "4a." insert "Within three calendar days of the date of filing of the registration statement,"

Page 7, line 35, strike "Any" and insert "Chapter 14 does not apply to the hearing. The commissioner's"

Page 8, line 2, before the period, insert ", but not more than 16 calendar days after the date of the suspension"

Page 8, line 2, after the period, insert "The commissioner may prescribe

different time limits than those specified in this subdivision by rule or order."

Page 12, line 34, strike "and \$100 for a"

Page 12, strike lines 35 and 36

Page 13, strike lines 1 to 3

Page 13, line 4, strike everything before the period

Page 14, line 3, after "redemption" insert "either at the price at which the shares were acquired or"

Page 14, lines 12, 18, 24, and 27, delete "19" and insert "18"

Page 14, line 34, delete "with at least 50 shareholders"

Page 14, line 35, delete "and"

Page 15, line 5, delete "19" and insert "18"

Page 15, delete section 18

Page 16, line 6, after "redemption" insert "either at the price at which the shares were acquired or"

Page 17, line 20, after the comma, insert "rejection of,"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 12 and 13, delete "302A.461, subdivision 4;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1859: A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 12 to 14 and insert:

"(7) "Motor vehicle" means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle but does not include snowmobiles and manufactured homes."

Page 2, after line 16, insert:

"(9) "Motor vehicle service contract administrator" means a person who provides administrative services to motor vehicle service contract providers, including but not limited to: issuing a motor vehicle service contract; re-

viewing or settling losses arising under the contract; providing or recommending the written contract or form for a contract; providing or recommending advertising or promotional materials."

- Page 2, line 31, delete everything after "will"
- Page 2, delete lines 32 to 35 and insert "pay on behalf of the provider all sums which the provider is legally obligated to pay in the performance of its contractual obligations under the motor vehicle service contracts issued or sold by the provider."
 - Page 3, line 2, delete everything after "the"
- Page 3, delete lines 3 to 11 and insert "contract conspicuously states that the obligations of the provider to the service contract holder are guaranteed under the service contract reimbursement policy, and unless the contract conspicuously states the name and address of the issuer of the reimbursement policy."
 - Page 3, line 18, delete "seciton" and insert "section"
 - Page 3, after line 28, insert:
- "Subd. 8. [INAPPLICABLE.] This section does not apply to motor vehicle service contracts issued by a motor vehicle manufacturer, distributor or importer.
 - Sec. 2. [EFFECTIVE DATE.]
- Section 1, subdivision 7, is effective the day following final enactment. Service contract providers and issuers of reimbursement policies shall have until January 1, 1985, to comply with section 1, subdivisions 4 and 5."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 2076: A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, lines 5 and 6, delete "is authorized and directed to" and insert "shall"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1967: A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota

Statutes 1983 Supplement, section 161.082, subdivision 2a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1744: A bill for an act relating to motor vehicles; increasing and expanding license plate fees; establishing the license plate revolving fund; amending Minnesota Statutes 1982, section 168.12, subdivisions 1, 5, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 3, line 27, delete "FUND" and insert "ACCOUNT"
- Page 3, lines 28 and 35, delete "fund" and insert "account"
- Page 3, lines 34 and 36, delete "unobligated" and insert "unencumbered"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1834: A bill for an act relating to corporations; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in the bylaws of a certain provision relating to the voting power of shares; providing for cumulative voting for directors; providing a time limit on claims rejected by a corporation; amending Minnesota Statutes 1982, sections 302A.111, subdivisions 2 and 3; 302A.445, subdivision 3; and 302A.729, subdivision 1; Minnesota Statutes 1983 Supplement, sections 300.083, subdivision 6; and 302A.521, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 14, insert:

- "Section 1. Minnesota Statutes 1982, section 297.04, subdivision 3, is amended to read:
- Subd. 3. [NON-RESIDENT.] A person without this state who ships or transports cigarettes to retailers in this state, to be sold by those retailers, may make application for license as a distributor, be granted such a license by the commissioner, and thereafter be subject to all the provisions of sections 297.01 to 297.13 and entitled to act as a licensed distributor, provided he files proof with his application that he has appointed the secretary of state for service of process relating to any matter of issue arising under sections 297.01 to 297.13. A foreign corporation applying for a distributor's license need not qualify as such if it files the proof of appointment of the secretary of state for service of process as provided in this subdivision."

Page 6, after line 8, insert:

"Sec. 5. Minnesota Statutes 1982, section 302A.115, subdivision 1, is

amended to read:

Subdivision 1. [REQUIREMENTS; PROHIBITIONS.] The corporate name:

- (a) Shall be in the English language or in any other language expressed in English letters or characters;
- (b) Shall contain the word "corporation", "incorporated", or "limited", or shall contain an abbreviation of one or more of these words, or the word "company" or the abbreviation "Co." if that word or abbreviation is not immediately preceded by the word "and" or the character "&";
- (c) Shall not contain a word or phrase that indicates or implies that it is incorporated for a purpose other than one or more business purposes for which a corporation may be incorporated under this chapter;
- (d) Shall not be the same as, or deceptively similar to, the name of a domestic corporation or limited partnership, or a foreign corporation or limited partnership authorized or registered to do business in this state, or a name the right to which is, at the time of incorporation, reserved or provided for in the manner provided in sections 302A.117 or in sections, 322A.03, or 333.001 to 333.54, unless there is filed with the articles one of the following:
- (1) The written consent of the domestic corporation or limited partnership or foreign corporation or limited partnership authorized or registered to do business in this state or the holder of a reserved name or a name filed by or registered with the secretary of state under sections 333.001 to 333.54 having the same or a deceptively similar name or the holder of a reserved name to use the same or deceptively similar name;
- (2) A certified copy of a final decree of a court in this state establishing the prior right of the applicant to the use of the name in this state; or
- (3) The applicant's affidavit that the corporation or limited partnership with the same or deceptively similar name has been incorporated or on file in this state for at least three years prior to the affidavit, if it is a domestic corporation or limited partnership, or has been authorized or registered to do business in this state for at least three years prior to the affidavit, if it is a foreign corporation or limited partnership, or that the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 filed or registered that name at least three years prior to the affidavit, and has not during the three year period filed any document with the secretary of state; that the applicant has mailed written notice to the corporation or limited partnership or the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 by certified mail, return receipt requested, properly addressed to the registered office of the corporation or in care of the agent of the limited partnership, or the address of the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54, shown in the records of the secretary of state, that the applicant intends to use the same or deceptively similar name and the notice has been returned to the applicant as undeliverable to the addressee corporation or limited partnership or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54; that the applicant, after diligent inquiry, has been unable to find any telephone listing for the corporation or limited partnership with the same or deceptively similar name in the county

in which is located the registered office of the corporation shown in the records of the secretary of state or has been unable to find any telephone listing for the holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 in the county in which is located the address of the holder shown in the records of the secretary of state; and that the applicant has no knowledge that the corporation or limited partnership or holder of a name filed or registered with the secretary of state under sections 333.001 to 333.54 is currently engaged in business in this state.

Sec. 6. Minnesota Statutes 1982, section 302A.131, is amended to read:

302A.131 [AMENDMENT OF ARTICLES.]

The articles of a corporation may be amended at any time to include or modify any provision that is required or permitted to appear in the articles or to omit any provision not required to be included in the articles, except that when articles are amended to restate them, the name and address of each incorporator may be omitted. Unless otherwise provided in this chapter, the articles may be amended or modified only in accordance with sections 302A.133 to 302A.139. An amendment which merely restates the then-existing articles of incorporation, as amended, is not an amendment for the purposes of sections 302A.137, 302A.215, subdivision 2, or 302A.413, subdivision 9,"

Page 8, delete section 7 and insert:

- "Sec. 10. Minnesota Statutes 1982, section 302A.729, subdivision 2, is amended to read:
- Subd. 2. [STATUTE OF LIMITATIONS.] The claim of a creditor or claimant to whom notice is not given and for whom payment of any debt is not made or provided for and who does not initiate legal, administrative, or arbitration proceedings concerning the claim within two years after the date of filing the notice of intent to dissolve is thereafter subject to the provisions of 302A.781.
- Sec. 11. Minnesota Statutes 1982, section 302A.733, subdivision 2, is amended to read:
- Subd. 2. [CONTENTS OF ARTICLES.] The articles of dissolution shall state:
- (a) Whether notice has been given to all creditors and claimants of the corporation in the manner provided in section 103, and, if notice has been given, the last date on which the notice was given and the date on which the longer of the periods described in section 302A.729, subdivision 1, clause (c) expired; or
- (b) If notice was not given, that all debts, obligations, and liabilities of the corporation have been paid and discharged or that adequate provisions have been made therefor; and
- (c) That the remaining property, assets, and claims of the corporation have been distributed among its shareholders in accordance with section 302A.551, subdivision 4, or that adequate provision has been made for that distribution; and
- (d) That there are no pending legal, administrative, or arbitration proceedings by or against the corporation, or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered

against it in a pending proceeding, and that all other claims are barred under section 302A.781.

Sec. 12. Minnesota Statutes 1982, section 303.06, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS.] In order to procure a certificate of authority to transact business in this state, a foreign corporation shall make application therefor to the secretary of state, which application shall set forth:

- (1) The name of the corporation and the state or country under the laws of which it is organized;
- (2) If the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&," and such words or abbreviations are required by comply with section 303.05 to be included in or added to the name of the corporation, then the name of the corporation with the word or abbreviation which it agrees to add thereto for use in this state;
 - (3) The date of its incorporation and the period of its duration;
- (4) The address of its principal office in the state or country under the laws of which it is organized;
- (5) The address of its proposed registered office in this state and the name of its proposed registered agent in this state;
- (6) That it irrevocably consents to the service of process upon it as set forth in section 303.13, or any amendment thereto;
 - (7) The names and respective addresses of its directors and officers;
- (8) A statement of the aggregate number of shares having par value and of shares without par value which it shall have authority to issue, itemized by classes and series;
- (9) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series; and
- (10) A statement that the officers executing the application have been duly authorized so to do by the board of directors of the corporation.
- Sec. 13. Minnesota Statutes 1982, section 303.13, subdivision 1, is amended to read:

Subdivision 1. [FOREIGN CORPORATION.] A foreign corporation shall be subject to service of process, as follows:

- (1) By service thereof on its registered agent;
- (2) When any foreign corporation authorized to transact business in this state fails to appoint or maintain in this state a registered agent upon whom service of process may be had, or whenever any registered agent cannot be found at its registered office in this state, as shown by the return of the sheriff of the county in which the registered office is situated, or by an affidavit of attempted service by any person not a party, or whenever any corporation withdraws from the state, or whenever the certificate of authority of any

foreign corporation is revoked or canceled, service may be made by delivering to and leaving with the secretary of state, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of \$15; provided, that after a foreign corporation withdraws from the state, pursuant to section 303.16, service upon the corporation may be made pursuant to the provisions of this section only when based upon a liability or obligation of the corporation incurred within this state or arising out of any business done in this state by the corporation prior to the issuance of a certificate of withdrawal.

- (3) If a foreign corporation makes a contract with a resident of Minnesota to be performed in whole or in part by either party in Minnesota, or if a foreign corporation commits a tort in whole or in part in Minnesota against a resident of Minnesota, such acts shall be deemed to be doing business in Minnesota by the foreign corporation and shall be deemed equivalent to the appointment by the foreign corporation of the secretary of the state of Minnesota and his successors to be its true and lawful attorney upon whom may be served all lawful process in any actions or proceedings against the foreign corporation arising from or growing out of the contract or tort. Process shall be served in duplicate upon the secretary of state, together with a fee of \$15 and the secretary of state shall mail one copy thereof to the corporation at its last known address, and the corporation shall have 20 30 days within which to answer from the date of the mailing, notwithstanding any other provision of the law. The making of the contract or the committing of the tort shall be deemed to be the agreement of the foreign corporation that any process against it which is so served upon the secretary of state shall be of the same legal force and effect as if served personally on it within the state of Minnesota.
- Sec. 14. Minnesota Statutes 1982, section 303.13, subdivision 3, is amended to read:
- Subd. 3. [TIME TO ANSWER.] If any summons is so served upon the secretary of state, the corporation so served shall have 30 days from the date of mailing by the secretary in which to answer the complaint.
- Sec. 15. Minnesota Statutes 1982, section 303.17, subdivision 3, is amended to read:
- Subd. 3. [REVOCATION AFTER 30 DAYS.] The secretary of state shall revoke the certificate of authority of such corporation to do business in this state if such default shall not be cured with such period of 30 days; provided, that for good cause shown the secretary of state may enlarge the period from time to time, but the aggregate of such enlargements shall not exceed three months 180 days or the period of any applicable extension granted by the department of revenue of time for filing the income tax return of the corporation, whichever is greater.
- Sec. 16. Minnesota Statutes 1982, section 317.09, subdivision 2, is amended to read:
- Subd. 2. [USE OF SIMILAR NAME FORBIDDEN.] The corporate name shall not be the same as, nor deceptively similar to, the name of any other assumed name, trade or service mark, or limited partnership, or domestic corporation, whether profit or nonprofit, or of any foreign corporation or foreign limited partnership, whether profit or nonprofit, authorized or regis-

tered to do business in this state or to any name reserved under section 302A.117 or 322A.03, unless:

- (1) the domestic or foreign corporation is about to change its name, or to cease to do business, or is being wound up, or the foreign corporation is about to withdraw from doing business in this state; and
- (2) the there is filed with the articles a written consent, court decree of prior right, or affidavit of non-use of such domestic or foreign corporation to the adoption of its name, or of a deceptively similar name, has been given and is filed with the articles of incorporation the kind required by section 302A.115, subdivision 1, paragraph (d).

The secretary of state shall determine whether a name is "deceptively similar" to another name for purposes of this section. This section does not abrogate or limit the law of unfair competition or unfair practices, nor sections 333.001 to 333.54, nor the laws of the United States with respect to the right to acquire and protect copyrights, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols, nor derogate the common law or principles of equity.

Sec. 17. Minnesota Statutes 1982, section 318.02, subdivision 1, is amended to read:

Subdivision 1. The term "declaration of trust" as used in this section means the declaration of trust, business trust instrument, trust indenture, contract of custodianship, or other instrument pursuant to which such association is organized. Every such association organized after April 20, 1961, for the purpose of transacting business in this state shall, prior to transacting any business in this state, file in the office of the secretary of state a true and correct copy of the "declaration of trust" under which the association proposes to conduct its business, which copy shall be sworn to, as being a true and correct copy, by the chairman of the board of trustees of such association, or by one of the trustees of such association, or by one of the persons or parties to the "declaration of trust." The said sworn statement shall also contain a statement that the true and correct copy of the "declaration of trust" is being filed in the office of the secretary of state of the state of Minnesota pursuant to Minnesota Statutes 1961, chapter 318, and all acts amendatory thereof and shall also include the full name and street address of an agent of the business trust in this state. That agent shall be the agent for service of process which shall be made pursuant to the provisions of section 543.08. The "declaration of trust" may provide that the duration of such association shall be perpetual. Upon the filing of the copy of the "declaration of trust" and the payment of a filing fee of \$150 to the secretary of state, the secretary of state shall issue to such association, or to the trustees named in the said "declaration of trust," or to the persons or parties to the "declaration of trust," a certificate showing that such "declaration of trust" has been duly filed in his office; whereupon, such association in its name shall be authorized to transact business in this state; provided that all other applicable laws have been complied with. The "declaration of trust" may be amended as provided in the "declaration of trust" or in any amendments thereto but a true and correct copy of all amendments to the "declaration of trust," which copy shall be sworn to in like manner as provided above in filing a true and correct copy of the "declaration of trust," shall be filed in the office of the secretary of state upon the payment of a filing fee of \$50 to the secretary of state and all amendments shall become effective at the time of said filing.

When such copy of the "declaration of trust" and any amendments thereto shall have been filed in the office of the secretary of state it shall constitute public notice as to the purposes and manner of the business to be engaged in by such association.

Sec. 18. Minnesota Statutes 1982, section 322A.02, is amended to read:

322A.02 [NAME.]

The name of each limited partnership as set forth in its certificate of limited partnership:

- (1) shall contain without abbreviation the words "limited partnership";
- (2) may not contain the name of a limited partner unless (i) it is also the name of a general partner or the corporate name of a corporate general partner, or (ii) the business of the limited partnership had been carried on under that name before the admission of that limited partner;
- (3) may not contain any word or phrase indicating or implying that it is organized other than for a purpose stated in its certificate of limited partnership;
- (4) may not be the same as, or deceptively similar to, the name of any a domestic corporation or limited partnership organized under the laws of this state or a foreign corporation or limited partnership authorized licensed or registered as a foreign corporation or limited partnership to do business in this state or a name the right to which is reserved or provided for in the manner provided for in sections 302A.117, 322A.03, or 333.001 to 333.54, unless there is filed with the certificate a written consent, court decree of prior right, or affidavit of non-use, of the kind required by section 302A.115, subdivision 1, paragraph (d); and
 - (5) may not contain the following words: corporation, incorporated.

The secretary of state shall determine whether a name is "deceptively similar" to another name for purposes of this section and section 322A.03. This section does not abrogate or limit the law of unfair competition or unfair practices, nor sections 333.001 to 333.54, nor the laws of the United States with respect to the right to acquire and protect copyrights, trademarks, service names, service marks, or any other rights to the exclusive use of names or symbols, nor derogate the common law or principles of equity.

Sec. 19. Minnesota Statutes 1982, section 322A.86, is amended to read:

322A.86 [RELATIONSHIP TO SECTIONS 322.01 TO 322.31.]

A domestic limited partnership existing on January 1, 1981, shall be governed by sections 322.01 to 322.31 unless (1) the limited partnership elects to come under the provisions of sections 322A.01 to 322A.85, and the certificate of limited partnership is amended to reflect the intention and, the election and a certified copy of all previously filed limited partnership documents is filed with the secretary of state, and the election is filed with the county recorder; and (2) to so elect is not prohibited by the terms of the certificate of limited partnership in effect prior to January 1, 1981. A domestic limited partnership formed after December 31, 1980 shall be governed by sections 322A.01 to 322A.85.

Sec. 20. Minnesota Statutes 1982, section 331.02, subdivision 1, is

amended to read:

Subdivision 1. [QUALIFICATIONS.] In order to be qualified as a medium of official and legal publication, a newspaper shall:

- (1) Be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,200 square inches;
- (2) If a weekly, be distributed at least once each week for 50 weeks each year, or if a daily, at least five days each week; but in any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;
- (3) In at least half of its issues each year, have no more than 75 percent of its printed space comprised of advertising material and paid legal notices; and in all of its issues each year, have 25 percent if published more often than weekly or 50 percent, if weekly, of its news columns devoted to news of local interest to the community which it purports to serve, but not more than 25 percent of its total nonadvertising column inches in any issue may wholly duplicate any other publication unless the duplicated material is from recognized general news services;
- (4) Be circulated in and near the municipality which it purports to serve, and have at least 500 copies regularly delivered to paying subscribers and have entry as second-class matter in its local post office, or have at least 500 copies regularly distributed without charge to local residents;
- (5) Have its known office of issue established in the county in which lies, in whole or in part, the municipality which the newspaper purports to serve;
 - (6) File a copy of each issue immediately with the state historical society;
- (6a) Be made available at single or subscription prices to any person, corporation, partnership or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;
- (7) Have complied with all the foregoing conditions of this subdivision for at least one year last past;
- (8) The newspaper must annually publish and submit to the secretary of state a sworn United States Post Office second-class statement of ownership and circulation or in the absence of a permit must annually publish and submit a comparable statement of ownership and circulation covering a one year period ending not more than three months prior to publication verified by a recognized independent circulation auditing agency;
- (9) The newspaper shall, between October 1 and December 31 of each year, submit to the secretary of state a sworn printers affidavit of publication accompanied by the published statement required by section 331.02, subdivision 1, clause (8), that it has complied with all of the requirements of this subdivision. A newspaper which files the affidavit shall be qualified as a legal newspaper for the calendar year following filing.
- Sec. 21. Minnesota Statutes 1982, section 333.001, subdivision 3, is amended to read:
 - Subd. 3. [TRUE NAME.] "True name" means the true full name of the

natural person, if a proprietorship; the true full name of at least one each partner, if a partnership; the full corporate name as stated in its articles, if a corporation; the full name of the limited partnership, if a limited partnership; the true full name of at least one trustee, if a trust; or the true full name of at least one beneficial owner, if any other form of business organization.

- Sec. 22. Minnesota Statutes 1982, section 333.001, subdivision 4, is amended to read:
- Subd. 4. "Address" means the full residential address of each natural person, trustee or beneficial owner, or any corporation, included in subdivision 3, and the address of the principal place in Minnesota where the business is conducted or transacted, if different.
 - Sec. 23. Minnesota Statutes 1982, section 333.01, is amended to read:

333.01 [COMMERCIAL ASSUMED NAMES; CERTIFICATE.]

No person shall hereafter carry on or conduct or transact a commercial business in this state under any designation, name, or style, which does not set forth the true name of every person interested in such business unless such person shall file in the office of the secretary of state, a certificate setting forth the name and business address under which the business is conducted or transacted, or is to be conducted or transacted, and the true name of the each person conducting or transacting the same, with the address of such person. The certificate shall be executed and duly acknowledged by one of the persons conducting, or intending to conduct, the business. The certificate shall be published in a qualified newspaper in the county in which the person has a principal or registered office for two successive issues.

Sec. 24. Minnesota Statutes 1982, section 333.06, is amended to read:

333.06 [PLEADING FAILURE TO FILE CERTIFICATE; COSTS.]

If any person conducting a business contrary to the terms of sections 333.001 to 333.06 shall, prior to the filing of the certificate and proof of publication therein prescribed, commence a civil action, including an action to recover possession of real property in any court of this state on account of any contract made by, or transaction had on behalf of the business, the defendant may plead such failure in abatement of the action; and all proceedings had in the action shall thereupon be stayed until the certificate provided for by sections 333.001 to 333.06 is duly filed, and the defendant, in case he prevails in the action, shall also be entitled to tax \$50 costs, in addition to such other statutory costs as may be allowed by law, and, in case he does not prevail in the action, shall be entitled to deduct \$50 from the judgment otherwise recoverable therein and if a judgment for money is not otherwise recoverable therein, he shall be entitled to tax \$50 costs. If such a person defends against a civil action, the plaintiff shall be entitled to tax \$50 costs, regardless of which party prevails upon the merits.

Sec. 25. Minnesota Statutes 1982, section 333.19, subdivision 1, is amended to read:

Subdivision 1. A trademark or service mark by which the goods or services of any applicant for registration may be distinguished from the goods or services of others shall not be registered if it;

(1) consists of or comprises immoral, deceptive or scandalous matter; or

- (2) consists of or comprises matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or
- (3) consists of or comprises the flag or coat of arms or other insignia of the United States, or of any state or municipality, or of any foreign nation, or any simulation thereof; or
- (4) consists of or comprises the name, signature or portrait of any living individual, except with his written consent; or
- (5) consists of a mark which, (a) when applied to the goods or used to identify the services of the applicant, is merely descriptive or deceptively misdescriptive of them, or (b) when applied to the goods or used to identify the services of the applicant is primarily geographically descriptive or deceptively misdescriptive of them, or (c) is primarily merely a surname provided, however, that nothing in this subsection (5) shall prevent the registration of a mark used in this state by the applicant which has become distinctive of the applicant's goods or services. The secretary of state may accept as evidence that the mark has become distinctive, as applied to the applicant's goods or used to identify the services, proof of substantially exclusive and continuous use thereof as a mark by the applicant in this state for the five years next preceding the date of the filing of the application for registration; or
- (6) consists of or comprises a mark which so resembles a mark registered in this state or a corporate or limited partnership name in use or reserved in this state by another, or a mark or trade name previously used in this state by another and not abandoned, as to be likely, when applied to the goods or used to identify the services of the applicant, to cause confusion or mistake or to deceive. The secretary of state may require affidavits by both the applicant and by the holder of the previously registered name or mark in making this determination.
- Sec. 26. Minnesota Statutes 1982, section 333.21, subdivision 1, is amended to read:

Subdivision 1. Upon a finding by the secretary of state that the mark and application for registration comply with the requirements of sections 333.18 to 333.31, and that the class indicated, if any, in which the mark is to be registered is not clearly incorrect, he shall cause a certificate of registration to be issued and delivered to the applicant. The certificate of registration shall be issued under the signature of the secretary of state and the seal of the state, and shall show the registrant's name and business address and, if a corporation, the state of incorporation, the date claimed for the first use of the mark in this state, the class of goods or services and a description of the goods or services in connection with which the mark is used, a reproduction of the mark, the registration date and the term of the registration.

Sec. 27. Minnesota Statutes 1983 Supplement, section 336.9-401, is amended to read:

336.9-401 [PLACE OF FILING; ERRONEOUS FILING; REMOVAL OF COLLATERAL.]

(1) The proper place to file in order to perfect a security interest is as

follows:

- (a) When the collateral is consumer goods, or motor vehicles which are not inventory covered by a certificate of title, then in the office of the county recorder in the county of the debtor's residence if the debtor is an individual who is a resident of this state but if the debtor is an individual who is not a resident of this state or is a corporation, partnership or other organization then in the office of the secretary of state;
- (b) When the collateral is equipment to be used in farming operations, or farm products, or accounts or general intangibles arising from or relating to the sale of farm products by a farmer, or crops growing or to be grown, then in the office of the county recorder in the county of the debtor's residence if the debtor is an individual or organization with residence in this state, but if the debtor is not a resident of this state, then in the office of the secretary of state;
- (c) When the collateral is timber to be cut or is minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or when the financing statement is filed as a fixture filing (section 336.9-313) and the collateral is goods which are or are to become fixtures, then in the office where a mortgage on the real estate would be filed or recorded;
 - (d) In all other cases, in the office of the secretary of state.
- (2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.
- (3) A filing which is made in the proper place in this state continues effective even though the debtor's residence in this state or the use of the collateral, whichever controlled the original filing, is thereafter changed.
- (4) The rules stated in section 336.9-103 determine whether filing is necessary in this state.
- (5) Notwithstanding the preceding subsections, the proper place to file in order to perfect a security interest in collateral, including fixtures, of a transmitting utility is the office of the secretary of state. Such a filing shall not be deemed a separate filing from the filings required by other laws, if applicable, set forth in subsection (3) of section 336.9-302. This filing constitutes a fixture filing (section 336.9-313) as to the collateral described therein which is or is to become fixtures.
- (6) For the purposes of this section, the residence of an organization is its place of business if it has one or its chief executive office if it has more than one place of business.
- (7) "Motor vehicle" means any device propelled or drawn by any power other than muscular power in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting building and road construction equipment.
 - Sec. 28. Minnesota Statutes 1982, section 336.9-402, is amended to read:

336.9-402 [FORMAL REQUISITES OF FINANCING STATEMENT; AMENDMENTS; MORTGAGE AS FINANCING STATEMENT.]

- (1) A financing statement is sufficient if it gives the name of the debtor and the secured party, is signed by the debtor, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address of the debtor and contains a statement indicating the types or describing the items, of collateral. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. When the financing statement covers crops growing or to be grown, the statement must also contain a description of the real estate concerned and the name of the record owner thereof. When the financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or when the financing statement is filed as a fixture filing (section 336.9-313) and the collateral is goods which are or are to become fixtures, the statement must also comply with subsection (5). A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by the debtor. A carbon, photographic or other reproduction of a security agreement or a financing statement is sufficient as a financing statement if the security agreement so provides or if the original has been filed in this state.
- (2) A financing statement which otherwise complies with subsection (1) is sufficient when it is signed by the secured party instead of the debtor when it is filed to perfect a security interest in
- (a) collateral already subject to a security interest in another jurisdiction when it is brought into this state, or when the debtor's location is changed to this state. Such a financing statement must state that the collateral was brought into this state or that the debtor's location was changed to this state under such circumstances; or
- (b) proceeds under section 336.9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral; or
 - (c) collateral as to which the filing has lapsed within one year; or
- (d) collateral acquired after a change of name, identity or corporate structure of the debtor (subsection (7)); or
- (e) a personal service lien including but not limited to veterinarian, mechanic, attorney, male service animal, and processing farm products; or
 - (f) collateral which is subject to a filed judgment.
- (2a) Except for documents filed under clauses (e) and (f), the reason for the omission of the debtor signature must be stated on the front of the financing statement.
- (3) A form substantially as follows is sufficient to comply with subsection (1):

Name of debtor (or assignor)
Address

	Name of secured party (or assignee)
	Address
e	1. This financing statement covers the following types (or items) of prop- rty:
	(Describe)
g	2. (If collateral is crops) The above described crops are growing or are to be rown on:
	(Describe real estate and the name of the record owner thereof)
	2. (If and links) The shows a large to the Committee of t
	3. (If applicable) The above goods are to become fixtures on
ic	(Describe real estate) and this financing statement is be filed for record in the real estate records. (If the debtor does not have an aterest of record) The name of a record owner is
	4. (If products of collateral are claimed)
	Products of the collateral are also covered.
	Use whichever signature line is applicable.
	Signature of debtor (or assignor)
	•
	Signature of secured party (or assignee)
	(A) A financing statement may be amended by filing a visiting signed by

- (4) A financing statement may be amended by filing a writing signed by both the debtor and the secured party. If the sole purpose of the amendment is to change the name or address of the secured party, only the secured party need sign the amendment. A writing is sufficient if it sets forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, the file number and date of filing of the financing statement. An amendment does not extend the period of effectiveness of a financing statement. If any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment. In this article, unless the context otherwise requires, the term "financing statement" means the original financing statement and any amendments.
- (5) A financing statement covering timber to be cut or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or a financing statement filed as a fixture filing (section 336.9-313) where the debtor is not a transmitting utility, must show that it covers this type of collateral, must recite that it is to be filed for record in the real

estate records, and the financing statement must contain a description of the real estate sufficient if it were contained in a mortgage of the real estate to give constructive notice of the mortgage under the law of this state. If the debtor does not have an interest of record in the real estate, the financing statement must show the name of a record owner. No description of the real estate or the name of the record owner thereof is required for a fixture filing where the debtor is a transmitting utility. Notwithstanding the foregoing a general description of the real estate is sufficient for a fixture filing where a railroad is the record owner of the real estate on which the fixtures are or are to be located; and for the purposes of this subsection, the requirement of a general description is satisfied if the fixture filing (1) identifies the section, township and range numbers of the county in which the land is located; (2) identifies the quarter-quarter of the section that the land is located in; (3) indicates the name of the record owner of the real estate; and (4) states the street address of the real estate if one exists.

- (6) A mortgage is effective as a financing statement filed as a fixture filing from the date of its recording if (a) the goods are described in the mortgage by item or type, (b) the goods are or are to become fixtures related to the real estate described in the mortgage, (c) the mortgage complies with the requirements for a financing statement in this section other than a recital that it is to be filed in the real estate records, and (d) the mortgage is duly recorded. No fee with reference to the financing statement is required other than the regular recording and satisfaction fees with respect to the mortgage.
- (7) A financing statement sufficiently shows the name of the debtor if it gives the individual, partnership or corporate name of the debtor, whether or not it adds other trade names or the names of partners. Where the debtor so changes his name or in the case of an organization its name, identity or corporate structure that a filed financing statement becomes seriously misleading, the filing is not effective to perfect a security interest in collateral acquired by the debtor more than four months after the change, unless a new appropriate financing statement is filed before the expiration of that time. A filed financing statement remains effective with respect to collateral transferred by the debtor even though the secured party knows of or consents to the transfer.
- (8) A financing statement substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading.
 - Sec. 29. Minnesota Statutes 1982, section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

- (1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.
- (2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced

by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

- (3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment, identify the original statement by file number and filing date, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later.
- (4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.
- (5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the

secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. An additional fee of \$5 shall be collected if more than one name is required to be indexed or if the secured party, at his option, shows a trade name for any debtor listed. There shall be no fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and otherwise it shall be \$5 does not add additional debtor names to the financing statement. The fee for an amendment adding additional debtor names shall be \$5 if the amendment is in the form prescribed by the secretary of state and, if otherwise, \$10. The fee for an amendment which is not in the form prescribed by the secretary of state but which does not add additional names shall be \$5.

- (6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.
- (7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if he were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.
- (8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.
 - Sec. 30. Minnesota Statutes 1982, section 336.9-404, is amended to read:

336.9-404 [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be iden-

tified by file number. The termination statement must set forth the name and address of the debtor and secured party as those items appear on the original financing statement or the most recently filed amendment; identify the original financing statement by file number and filing date; and be signed by the secured party. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

- (2) On presentation to the filing officer of such a termination statement he must note it in the index. If he has received the termination statement in duplicate, he shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, he may remove the originals from the files at any time after receipt of the termination statement, or if he has no such record, he may remove them from the files at any time after one year after receipt of the termination statement.
- (3) There shall be no fee collected for the filing of a termination if the termination statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1).
 - Sec. 31. Minnesota Statutes 1982, section 336.9-405, is amended to read:

336.9-405 [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

- (1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403(4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be the same as the fee prescribed in section 336.9-403, clause (5).
- (2) A secured party may assign of record may assign all or a part of his rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record and, setting forth the name and address

of the secured party of record and the debtor as those items appear on the original financing statement or the most recently filed amendment, identifying the file number and the date of filing of the financing statement, and the giving the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, he shall index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, he shall index the assignment of the financing statement under the name of the assignee. The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$10, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of \$5 shall be charged if there is more than one name against which the statement of assignment is required to be indexed. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, chapter 135.

- (3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.
 - Sec. 32. Minnesota Statutes 1982, section 336.9-406, is amended to read:

336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]

A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party as those items appear on the original financing statement or the most recently filed amendment, and the file number of identifies the original financing statement by file number and filing date. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon presentation of such a statement of release to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. There shall be no fee for filing and noting such a statement of release if the statement is in the standard form prescribed by the secretary of state and otherwise shall be \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1).

Sec. 33. Minnesota Statutes 1982, section 362A.01, subdivision 1, is amended to read:

Subdivision 1. Any county or combination of counties by resolution of the county board or boards may establish a rural development financing authority as a public nonprofit corporation with the same powers and duties as those conferred and imposed on a private nonprofit corporation by chapter 317, and all present and future laws amending or supplementing that chapter, except as otherwise or additionally provided herein. No such authority shall transact any business or exercise any powers until a certified copy of the resolutions of each participating county board has been submitted to the secretary of state and a certificate of incorporation issued pursuant to section 317.10. Each resolution shall include all of the provisions required by section 317.08, subdivision 2.

Sec. 34. Minnesota Statutes 1982, section 540.152, is amended to read:

540.152 [SERVICE OF PROCESS ON UNIONS, GROUPS OR ASSOCIATIONS.]

The transaction of any acts, business or activities within the state of Minnesota by any officer, agent, representative, employee or member of any union or other groups or associations having officers, agents, members or property without the state on behalf of the union or other groups or associations or any of its members or affiliated local unions shall be deemed an appointment by the union or other groups or associations of the secretary of state of the state of Minnesota to be the true and lawful attorney of the union or other groups or associations, upon whom may be served all legal processes or notices in any action or proceeding against or involving the union or other groups or associations growing out of any acts, business or activities within the state of Minnesota resulting in damage or loss to person or property or giving rise to any cause of action under the laws of the state of Minnesota or to any matters or proceedings arising under the Minnesota Labor Relations Act. Such acts, business or activities shall be a signification of the agreement of the union or other groups or associations and its members that any process or notice in any action, matter or proceeding against or involving it, which is so served, shall be of the same legal force and validity as if served upon the union or other groups or associations and its members personally. Service of process or notice shall be made by filing a copy thereof in the office of the secretary of state, together with payment of a fee of \$15 and together with an affidavit stating that no officer or managing agent of the union or other group or association has been found in this state and setting forth an address to which the service shall be forwarded. The service shall be sufficient service upon the union or other groups or associations and its members. Notice of service and a copy of the process or notice shall, within ten days thereafter, be sent by mail by the person who caused it to be served on the union or other groups or associations at its last known address and an affidavit of compliance with the provisions of this chapter shall be filed with the court or other state agency or department before which the action, matter, or proceeding is pending.

Sec. 35. Minnesota Statutes 1982, section 543.08, is amended to read:

543.08 [SUMMONS, SERVICE UPON CERTAIN CORPORATIONS.]

If a private domestic corporation has no officer at the registered office of

the corporation within the state upon whom service can be made, of which fact the return of the sheriff of the county in which that office is located, or the affidavit of a private person not a party, that none can be found in his that county shall be conclusive evidence, service of the summons upon it may be made by depositing two copies, together with a fee of \$15 with the secretary of state, which shall be deemed personal service upon the corporation. One of the copies shall be filed by the secretary, and the other forthwith mailed by him to the corporation by certified mail, if the place of its main office is known to him or is disclosed by the files of his office.

If the defendant is a foreign insurance corporation, the summons may be served by two copies delivered to the insurance commissioner, who shall file one in his office and forthwith mail the other postage prepaid to the defendant at its home office.

Sec. 36. Laws 1981, chapter 270, section 144, is amended to read:

Sec. 144. [EFFECTIVE DATES.]

Sections 1 to 121, 123, 124, 126, 129 to 138, 140, 141, and 143 are effective July 1, 1981. Sections 125, 127, 128, 139, and 142 are effective January 1, 1984. Section 122 is effective January 1, 1985 1987.

Sec. 37. [REPEALER.]

Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2 are repealed."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; amending Minnesota Statutes 1982, sections 297.04, subdivision 3; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 540,152; 543.08; Minnesota Statutes 1983 Supplement, sections 300.083, subdivision 6; 302A.521, subdivision 6; and 336.9-401; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2042: A bill for an act relating to education; establishing a scholarship program at certain state universities and certain campuses of the University of Minnesota to recruit top scholars in certain fields of study; appropriating money; proposing new law coded in Minnesota Statutes, chapter 135A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, delete "or political science"

Page 2, line 9, delete "electrical"

Page 2, line 19, delete "in a" and insert a period

Page 2, delete line 20

Page 2, line 29, delete everything after "cancel" and insert a period

Page 2, delete lines 30 to 32

Page 3, line 3, delete everything after the period

Page 3, delete lines 4 and 5

Page 3, line 18, delete "June 30, 1985" and insert "expended"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1944: A bill for an act relating to education; adding two outstate members to the Minnesota higher education facilities authority; creating an advisory position on the authority; amending Minnesota Statutes 1983 Supplement, section 136A.26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, delete "of a" and insert "the"

Page 1, line 22, delete "county" and insert "area"

Page 1, line 23, delete "4" and insert "2"

Page 2, line 5, after "The" insert "chief"

Page 2, line 6, delete "director" and insert "officer"

Page 2, line 6, after "serve" insert ", without compensation,"

Page 2, line 7, delete everything after the period

Page 2, delete line 8

Page 2, line 13, before "executive" insert "chief"

Page 2, line 13, delete "director" and insert "officer"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1652: A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, delete the comma

Page 2, line 8, delete "3" and insert "2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 2054: A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; proposing new law coded in Minnesota Statutes, chapter 61A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after the first "tables" insert "and the 1980 commissioners standard ordinary and 1980 commissioners extended term smoker and nonsmoker mortality tables"

Page 1, line 14, after "permitting" insert "smoker/nonsmoker mortality tables for use in determining"

Page 1, line 18, before the period, insert ", and before January 1, 1989"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1805: A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1827: A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2;

50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- H.F. No. 1257: A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1480: A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, reinstate the stricken language

Page 1, line 24, delete "an"

Page 1, line 25, delete "an" and strike "who"

Page 1, line 25, delete "is" and after "acting" insert "for it"

Page 2, line 23, delete the new language

Page 2, line 24, strike "which" and insert "that"

Page 2, line 27, delete the new language

Page 2, line 28, delete "content of the data, either"

Page 3, line 20, strike "which" and insert "that"

Page 3, line 25, delete "which" and insert "that"

Page 3, line 30, delete "2" and insert "3"

Page 4, line 2, strike "that"

Page 4, line 3, delete "shall be nonpublic"

Page 4, line 8, strike "1, clause (a)" and insert "2"

Page 4, delete section 6

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1343: A bill for an act relating to data privacy; classifying the number of sealed bids received as nonpublic data; amending Minnesota Statutes 1982, section 13.37, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "bid" and insert "bids"

Page 1, delete section 2

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1853: A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1883: A bill for an act relating to occupations and professions; prohibiting the boards of medical examiners and psychology from using evidence of the previous sexual conduct of a patient or client in board proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "of the board"

Page 1, line 14, after "board" insert "or hearing examiner"

Page 1, line 17, delete "of the board" and insert ", except by motion of the complainant"

Page 1, line 20, delete "of the board"

Page 1, line 22, after "board" insert "or hearing examiner"

Page 1, line 24, delete "of the" and insert ", except by motion of the complainant."

Page 1, delete line 25

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "using"

Page 1, line 5, delete "board"

And when so amended the bill do pass. Amendments adopted. Report

adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1924: A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

. S.F. No. 1748: A bill for an act relating to public welfare; establishing a children's trust fund for the prevention of child abuse and neglect; establishing an income tax checkoff to provide money for the fund; proposing new law coded in Minnesota Statutes, chapters 256 and 290.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 10 to 26

Page 2, delete lines 1 to 4

Page 2, line 5, delete "board" and insert "commissioner of public welfare, in consultation with the commissioners of health and corrections,"

Page 2, line 8, delete "5" and insert "2"

Page 2, line 9, delete "board" and insert "commissioners"

Page 2, line 28, delete "according" and insert "as prescribed in subdivision 4"

Page 2, delete line 29

Page 2, line 30, delete "trustees"

Page 2, line 31, delete "the board of"

Page 2, line 32, delete "trustees and"

Page 2, line 33, delete "board" and insert "commissioner"

Page 3, line 1, delete everything after the period and insert "When"

Page 3, line 2, delete "that"

Page 3, line 2, delete "board" and insert "commissioner"

Page 3, delete lines 8 to 12

Page 3, line 13, delete "board" and insert "commissioner"

Renumber the subdivisions in sequence

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources,

to which was referred

S.F. No. 1450: A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 32.25, subdivision 1, is amended to read:

Subdivision 1. [MILK FAT AND NONFAT, PROTEIN, AND SOLIDS NOT FAT BASES OF PAYMENT; TESTS.] All milk and cream purchased from producers, and all milk, cream, skim milk, and buttermilk purchased by one dairy plant from another dairy plant for the purpose of resale as such, or for manufacture into dairy products, shall be purchased by weight and payment shall be made therefor upon the basis of milk fat therein contained in the case of milk and cream, and on the basis of nonfat milk solids contained therein in the ease of skim milk and buttermilk; provided, that in purchasing whole milk the purchase price of such milk shall be based upon the declared purchase price of 100 pounds of whole milk (1) calculated at three and one half pounds of milk fat per hundredweight; or (2) calculated at three and one-half pounds of milk fat per hundredweight and the nonfat solids contained therein. The latter basis shall be used only after the commissioner has promulgated, as provided in this subdivision, rules and regulations for the testing of nonfat solids. When the milk fat test of such whole milk varies from 3.5 percent, a uniform adjustment in the declared purchase price shall be made for each one tenth of one percent of milk fat above or below 3.5 percent.

The percentage of milk fat in such milk and cream shall be determined as follows: (1) By the Babcock test and by employing a standard official method for operating this test, which method shall be that adopted, prescribed, and set forth, with specifications in detail, in the rules and regulations from time to time made and published by the commissioner in the manner provided by law; or (2) by alternative tests which not only determine the percentage of milk fat but also determine the amount of nonfat solids, when the commissioner is satisfied that these alternative tests are consistently as accurate as the Babcock test in determining the percentage of milk fat. The amount of nonfat milk solids in skim milk and buttermilk shall be determined by methods provided for herein. The tests shall be performed in the manner and with equipment prescribed by rules and regulations promulgated by the commissioner in the manner provided by law.

All milk and cream purchased from producers shall be purchased by weight and one or more of the following methods:

- (1) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat;
- (2) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below 3.1 percent protein; or
 - (3) payment of a standard rate with uniform differentials for milk testing

above or below 3.5 percent milk fat and above or below 8.5 percent solids not fat.

In addition, an adjustment to the milk price may be made on the basis of milk quality, and the component price may be subject to milk quality.

Testing procedures for determining the percentages of milk fat, protein, and milk solids not fat shall be adopted by rule.

Sec. 2. [EFFECTIVE DATE.]

Clauses (2) and (3) of section 1 are effective upon adoption of the Upper Midwest, Eastern South Dakota, Chicago Regional, and Iowa Federal Milk Orders 68, 76, 30, and 79, respectively, which would permit pricing by all purchasers from producers on a basis other than weight and milk fat content."

Amend the title as follows:

Page 1, line 2, delete "testing to" and insert "alternative methods for establishing the value of milk purchased from producers"

Page 1, delete line 3

Page 1, line 4, delete "protein and nonfat solids"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1808: A bill for an act relating to Kandiyohi county; permitting the county to use city outlet payments to reduce assessments for benefits from county ditches 10 and 46.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 8 to 12 and insert:

"The county board of Kandiyohi County may satisfy according to section 106.391 a percentage of the drainage liens filed against lands benefited by county ditches 10 and 46. After reserving an amount for repairs, the percentage to be satisfied of the total amount of liens initially filed on each ditch will be determined. Each lien shall be satisfied on a pro rata basis according to the assessments made for each ditch. If the amount to be satisfied exceeds the amount due on the lien, payment shall be made to the assessed land owner for the excess."

Amend the title as follows:

Page 1, delete lines 2 to 4 and insert "relating to Kandiyohi County; authorizing the county to satisfy certain liens according to certain procedures."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources,

to which was referred

S.F. No. 1756: A bill for an act relating to St. Louis County; establishing a land investment office; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 4

Page 2, line 20, delete "(a)" and insert "(1)"

Page 2, line 24, delete "(b)" and insert "(2)"

Page 2, line 26, delete "(c)" and insert "(3)"

Page 2, line 29, delete "(d)" and insert "(4)"

Page 2, line 30, delete "but not limited"

Page 2, line 31, delete "to"

Page 3, line 15, delete "which" and insert "that"

Page 3, line 16, delete "then Minnesota Statutes,"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1662: A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties for mixed municipal solid waste disposal facilities; amending Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "1982" and insert "1983 Supplement"

Page 1, line 12, strike "each county" and insert "a metropolitan county having a population of less than 300,000, as determined by the 1980 United States Census,"

Page 1, line 12, strike "its" and insert "the county"

Page 1, line 13, before "three" insert "at least"

Page 1, line 16, after the period, insert "A metropolitan county having a population greater than 300,000, as determined by the 1980 United States Census, shall adopt, by resolution of the county governing body, an inventory of at least four proposed sites in the county that are suitable for mixed municipal solid waste disposal facilities and shall submit the inventory to the council for approval or disapproval."

Page 3, line 23, before "APPLICATION" insert "EFFECTIVE DATE AND"

Page 3, line 24, after "effective" insert "the day after final enactment and

applies"

Amend the title as follows:

Page 1, line 3, after "counties" insert "having a population of less than 300,000"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1548: A bill for an act relating to game and fish; regulating enforcement of the laws relating to wild animals; providing for reciprocity with other governments; amending Minnesota Statutes 1982, section 97.501.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 97.48, subdivision 3, is amended to read:
- Subd. 3. The commissioner is authorized and shall have the power to make any and all regulations for the taking, possession and transportation of wild animals, fish and mussels from any boundary waters between Minnesota and adjacent states, and from international waters except the commissioner may not authorize the taking, possession, and transportation of fish from these waters in excess of the daily limit of fish allowed under either a Canadian provincial license or a license of this state. These regulations may include but need not be limited to the following: Restrictions on the limits of fish which may be taken, possessed, or transported from Minnesota-Canada boundary waters by a person possessing both a Minnesota angling license and an angling license from a Canadian province adjacent to Minnesota which has jurisdiction over the taking, possession, and transportation of fish.
 - Sec. 2. Minnesota Statutes 1982, section 97.501, is amended to read:
- 97.501 [RECIPROCITY WITH OTHER STATES IN APPOINTING OFFICERS.]

Subdivision 1. [RECIPROCAL EFFECT.] The provisions of this section or any part thereof shall be in effect with respect to any other state or the United States whenever, so long as, and so far as, there are in force therein, respectively, reciprocal provisions of law of like effect with respect to this state as the provisions of this section or the corresponding part thereof. Any provision of this section shall be effective with respect to another state, the United States, the province of Manitoba, Canada, or the province of Ontario, Canada, to the extent that there is a similar provision in effect in those jurisdictions with respect to this state.

Subd. 2. [OTHER OFFICERS OF OTHER STATES OR THE UNITED STATES AS SPECIAL CONSERVATION OFFICERS.] Upon request or with the approval of the proper authority of another state or of, the United States, the province of Manitoba, Canada, or the province of Ontario, Can-

ada respectively, to continue in effect as provided by the laws thereof, the commissioner may appoint any salaried and bonded officers of those jurisdictions authorized to enforce their wild animal laws as a special conservation officer in the unclassified service of this state in the unclassified service thereof any salaried and bonded officer of such other state or of the United States who is authorized to enforce any provision of the laws thereof relating to wild animals, to. The special conservation officer shall serve at the pleasure of the commissioner and is subject to his supervision and control. Except as otherwise expressly provided by law or directed by the commissioner, every such special conservation officer shall have the same powers and be subject to the same liabilities as regular conservation officers of this state, but shall may not receive no compensation from this state.

- Subd. 3. [OFFICERS OF THIS STATE AS OFFICERS OF OTHER STATES OR THE UNITED STATES JURISDICTIONS.] Upon request or with the approval of the commissioner and under such conditions as he may prescribe, to continue in effect at his pleasure, any A conservation officer or other officer of this state who is authorized to enforce the wild animal laws relating to wild animals may accept appointment and serve in a like capacity under another state or under, the United States as may be provided by the laws thereof, respectively, so far as is not incompatible, the province of Manitoba, Canada, or the province of Ontario, Canada, with the approval of the commissioner and under the conditions prescribed by the commissioner. The officer may serve under the laws of the other jurisdictions to the extent the laws are compatible with his duties as an officer of this state.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 97.86, subdivision 1, is amended to read:

Subdivision 1. [LICENSE SURCHARGE.] A surcharge of \$2.50 shall be added to the annual license fee for each license issued pursuant to section 98.46, subdivision 2, clauses (4) and (5), subdivision 2a, subdivision 5, clauses $(1)_7$, $(2)_7$, and (3), and subdivision 15. The proceeds of the surcharge shall be credited to the game and fish fund.

The commissioner may spend the proceeds of the surcharge for the following purposes:

- (a) Rehabilitation and improvement of marginal fish producing waters administered on a cost sharing basis under agreements between the commissioner and other parties interested in sport fishing.
- (b) Expansion of fishing programs including, but not limited to, aeration, stocking of marginal fishing waters in urban areas, shore fishing areas, and fishing piers. In the expenditure of funds pursuant to this clause, preference shall be given to local units of government and other parties willing and able to share costs.
- (c) Upgrading of fish propagation capabilities in order to improve the efficiency of fish production, expansion of walleyed pike production from waters subject to winter kill for stocking in more suitable waters, introduction of new species where deemed biologically appropriate by the commissioner, and purchase of fish from private hatcheries for stocking purposes.
- (d) Financing the preservation and improvement of fish habitat. First priority shall be given to expansion of habitat improvement programs approved

by the commissioner and implemented in cooperation with other interested parties.

- (e) Increasing enforcement through use of covert operations, workteams, and added surveillance, communication, and navigational equipment.
- (f) Purchase by the commissioner of the walleyed pike quota of commercial fishermen as prescribed in section 102.26, subdivision 3d.
- (g) Not more than ten percent of the money available under this subdivision may be used for administrative or permanent personnel costs.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 102.26, subdivision 3d, is amended to read:
- Subd. 3d. In 1984 and any subsequent year an existing licensee may transfer the walleye quota allocated to him under subdivision 3a or 3b to any other existing licensee or, after July 1, 1985, he may sell the quota to the state. If a licensee sells the quota to the state, he must sell the quota for all years remaining in the quota schedule as provided in subdivision 3a or 3b. A sale to the state shall be at the present wholesale value of the quota as determined by applying the standard formula for computing present value assuming the following: (a) an allocation to the licensee of the same proportion of the total remaining walleye quota as allocated in the year of sale; (b) an interest rate of eight percent; and (e) a walleye wholesale price in the round of \$1.15 per pound. A licensee may elect to receive payment for a sale to the state in a lump sum or in up to four annual installments. Any quota sold to the state shall cancel and is not available for reallocation to any other licensee. When a walleye quota is sold to the state and canceled, the gill net license of the licensee shall be canceled.

Sec. 5. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

- Page 1, line 2, after the semicolon, insert "prohibiting taking, possession and transportation of fish in international waters in excess of certain daily limits;"
- Page 1, line 4, after the semicolon, insert "removing the license surcharge on fish and dark houses; eliminating the discount on walleye buyouts;"
- Page 1, delete line 5 and insert "Statutes 1982, sections 97.48, subdivision 3; 97.501; Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; and 102.26, subdivision 3d."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- S.F. No. 2039: A bill for an act relating to state monuments; adding the Roy Wilkins State Monument to the list of state monuments; appropriating money; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1498: A bill for an act relating to occupations and professions; changing the name of the private detective and protective agent services board; clarifying its powers and duties; authorizing licensing of alarm system businesses; specifying qualifications; amending Minnesota Statutes 1982, sections 214.01, subdivision 3; 326.32, subdivisions 2, 8, 9, and 10, and by adding subdivisions; 326.331, 326.332, subdivision 1, and by adding subdivisions; 326.331, 326.332, subdivision 1; 326.333; 326.334, subdivisions 1 and 2, and by adding a subdivisions, 326.336, subdivision 1, and by adding subdivisions; 326.337, subdivisions 1, 2, and 3; and Minnesota Statutes 1983 Supplement, section 214.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 326; and repealing Minnesota Statutes 1982, sections 299C.01, subdivision 3; 326.32, subdivisions 3, 4, 5, 6, 7, and 11; and 326.33, subdivisions 2, 3, 4, and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [INSTALLATION OF POWER LIMITED CIRCUITS.]

A person who installs Class II or Class III signaling circuits, power-limited fire protective signaling circuits, or outside wiring for alarm systems, as covered by articles 725, 760, and 800 of the National Electrical Code as approved by the United States of America Standards Institute in effect on January 1, 1984, shall not be required to obtain a license under section 326.242. Nothing in this act shall exempt installations from inspections as defined in section 326.244.

Sec. 2. [REPEALER.]

Section 1 is repealed effective July 1, 1985.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to occupations and professions; clarifying jurisdiction over installment of power limited circuits."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 2079: A bill for an act relating to veterans; requiring veterans organizations to file reports to the commissioner of veterans affairs; proposing new law coded in Minnesota Statutes, chapter 197.

Reports the same back with the recommendation that the bill be amended

as follows:

Delete everything after the enacting clause and insert:

"Section 1. [349.41] [ANNUAL REPORTS.]

On or before June 30 annually, every organization that conducts bingo, raffles, pull-tabs, tipboards, or paddlewheels under this chapter shall file a report with the department of revenue specifying the gross receipts and profit earned from conducting each of the above activities and the manner in which any profits are used for charitable purposes in the community. If a charitable organization contracts with a fund raising organization, that contract must follow the department of revenue rules which will provide the necessary data. The department of revenue shall develop those rules under chapter 14."

Delete the title and insert:

"A bill for an act relating to gambling; requiring organizations conducting gambling under chapter 349 to file annual reports; proposing new law coded in Minnesota Statutes, chapter 349."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- S.F. No. 1313: A bill for an act relating to intoxicating liquor; authorizing on-sale wine licenses outside the boundaries of liquor patrol limits; amending Minnesota Statutes 1982, section 340.11, subdivision 20.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 3 to 5, delete the new language and insert "and may be issued within the territory north of Marshall Avenue where the sale of intoxicating liquor was prohibited under Special Laws 1885, chapter 281, section 6"

Page 2, line 15, delete "1983" and insert "1984"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1681: A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 116J.27, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt rules containing minimum

energy efficiency standards for existing residences. The standards shall be appropriate for evaluation of the energy efficiency of each major type of residential housing including, but not limited to, one to four family dwellings, apartment buildings, manufactured homes, condominium buildings, and type of ownership. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the commissioner in the state register, will exceed the cost of the energy conserving requirements amortized over the ten-year period subsequent to the incurring of the cost. The costs computed under this section shall include reasonable inflation and interest factors. Subject to the provisions of subdivision 4, with respect to low-rent housing which is owned by a public housing authority or a housing and redevelopment authority as described in chapter 462, compliance with the standards established by the commissioner shall be determined based upon audits conducted by or on behalf of the housing and redevelopment authority or the public housing authority in conformance with the requirements of Code of Federal Regulations, title 24, sections 965.301 to 965.310. Audits which are conducted by individuals other than employees of the housing and redevelopment authority or the public housing authority shall be conducted by evaluators who are certified pursuant to subdivision 6 or section 116J.31. The determination of the economic feasibility of implementation of the standards in low-rent housing shall be made in accordance with the procedures established by the United States Department of Housing and Urban Development to implement Code of Federal Regulations, title 24, sections 965.301 to 965.310.

Sec. 2. Minnesota Statutes 1982, section 116J.27, subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The commissioner shall conduct inspections on a random basis for compliance with the provisions of subdivision 3. The commissioner of energy, planning and development may authorize a municipality, with its consent, to conduct the inspections within the municipality's jurisdiction. Any municipality which conducts an inspections program in conjunction with existing city inspection programs shall have authority under all subdivisions of section 116J.30 to enforce the provisions of subdivision 3; provided that 50 percent of the penalties to be paid to the state treasury for violation of subdivision 3 shall be paid to the municipality. With respect to low-rent housing owned by a public housing authority or a housing and redevelopment authority described in chapter 462, the commissioner or the municipality which conducts the inspection shall submit the results of the inspection to the housing and redevelopment authority or the public housing authority for review. If the housing and redevelopment authority or the public housing authority does not concur in the findings of the commissioner or the municipality, then the housing and redevelopment authority or the public housing authority and the commissioner or the municipality shall select a mutually acceptable independent third party or panel of experts knowledgeable in the area of energy conservation. The results of the inspection, the conclusions of the commissioner or the municipality as to compliance with the standards established pursuant to subdivision 1, and the basis for such conclusions, and the position of the housing and redevelopment authority or the public housing authority and the basis for such position shall be submitted to the independent third party or panel for a determination of the specific energy conservation measures which must be completed for compliance with the standards established pursuant to subdivision 1. The costs of the independent third party or panel shall be paid equally by the housing and redevelopment authority or the public housing authority and the commissioner or the municipality.

- Sec. 3. Minnesota Statutes 1982, section 116J.30, is amended by adding a subdivision to read:
- Subd. 4. With respect to low-rent housing, the provisions of subdivisions I and 3 shall not apply to a violation by a housing and redevelopment authority described in chapter 462 or a public housing authority, or an employee of either, of section 116J.27 or any rule or regulation promulgated thereunder.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "1983 Supplement" and insert "1982"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, delete "subdivision 2" and insert "subdivisions 1 and 4; and 116J.30, by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- H.F. No. 523: A bill for an act relating to public utilities; defining scope of independent telephone companies accountable under chapter 237; amending Minnesota Statutes 1982, section 237.01, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1554: A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.877 and 473.878, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 473.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 473.876, subdivision 9, is amended to read:
- Subd. 9. [WATERSHED MANAGEMENT ORGANIZATION.] "Watershed management organization" or "organization" means a watershed district wholly within the metropolitan area or a joint powers entity established wholly or partly within the metropolitan area by special law or by agreement which that performs some or all of the functions of a watershed

district for a watershed and which that has the characteristics and the authority specified under section 473.877. Lake improvement or conservation districts are not watershed management organizations.

Sec. 2. Minnesota Statutes 1982, section 473.877, is amended to read:

473.877 [JOINT POWERS WATERSHED MANAGEMENT ORGANIZATION.]

Subdivision 1. [AUTHORITY.] Any agreement under section 471.59 to jointly or cooperatively manage or plan for the management of surface water in a watershed delineated pursuant to subdivision 2, as required by sections 473.875 to 473.883, may provide, in addition to other provisions authorized by section 471.59, for a joint board having:

- (a) the authority to prepare and, adopt, and implement a plan for the watershed meeting the requirements of section 473.878;
- (b) the authority to review and approve local water management plans as provided in section 473.879;
- (c) the authority of a watershed district under chapter 112 to regulate the use and development of land in the watershed when one or more of the following conditions exists: (1) the local government unit exercising planning and zoning authority over the land under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.364, does not have a local water management plan approved and adopted in accordance with the requirements of section 473.879 or has not adopted the implementation program described in the plan; (2) an application to the local government unit for a permit for the use and development of land requires an amendment to or variance from the adopted local water management plan or implementation program of the local unit; (3) the local government unit has authorized the organization to require permits for the use and development of land.
- (d) the authority of a watershed district under section 112.65 to accept the transfer of drainage systems in the watershed, to repair and maintain the transferred drainage systems, and to construct all new drainage systems and improvements of existing drainage systems in the watershed, pursuant to chapters 106, 112, and 473, but proceedings of the board with respect to the systems must be in conformance with the watershed plan adopted under section 473.878;
- (e) other powers necessary to exercise the authority under clauses (a) to (c), including the power to enter into contracts for the performance of functions with governmental units or persons.
- Subd. 2. [REVIEW OF WATERSHED BOUNDARIES.] Before commencing planning under section 473.878, a watershed management organization established pursuant to section 471.59 and this section shall submit a map delineating the boundaries of the watershed to the water resources board for review and comment on the conformance of the boundaries with the requirements of sections 473.875 to 473.883. The board shall have 60 days to comment.
- Subd. 3. [JURISDICTION OVER NONMEMBERS.] A watershed management organization established by agreement pursuant to subdivision I may exercise the authority provided in the agreement throughout the water-

shed delineated, including territory in statutory and home rule charter cities and towns that are not members of the organization, if the cities and towns that are not members consent to the exercise of authority within their jurisdictions and if the membership of the organization includes:

- (a) the county or counties having jurisdiction over all of the territory of the watershed that is within the cities and towns that are not members of the organization; and
- (b) either cities and towns having jurisdiction over at least 50 percent of the land area of the watershed and comprising at least three-quarters of all of the cities and towns having territory in the watershed, or cities and towns having jurisdiction over at least 75 percent of the land area of the watershed.

The county or counties identified in clause (a) are responsible for watershed management activities and may exercise authority under sections 473.875 to 473.883 in and for consenting cities and towns that are not members of the organization.

Sec. 3. [473.8771] [WATERSHED DISTRICTS; BOUNDARY CHANGE; TERMINATION.]

Subdivision 1. [BOUNDARY CHANGE.] The boundaries of a watershed district wholly within the metropolitan area may be changed pursuant to this subdivision or chapter 112. The governing board of a watershed management organization may petition the water resources board for an order changing the boundaries of a watershed district wholly within the metropolitan area, either by adding new territory to the district or by transferring territory that is within the district to the jurisdiction of another watershed management organization. The petition must:

- (a) describe with particularity the change in boundary requested, the territory affected, and the reasons for the change;
- (b) show that the change is consistent with the purposes and requirements of sections 473.875 to 473.883; and
 - (c) identify any property subject to subdivision 3.

The petition must be accompanied by a written statement of concurrence in the petition from the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred. Upon the filing of a sufficient petition, the water resources board shall give notice of the filing of the petition by publication once each week for two successive weeks in a legal newspaper in each county affected and by mail to the county auditor of each county affected and to the chief official of each statutory or home rule charter city and township affected. The notice must describe the action proposed by the petition and invite written comments on the petition for consideration by the board. The notice must announce that any person who objects to the action proposed in the petition may submit a written request for hearing to the board within 20 days of the last publication of the notice of the filing of the petition and that if no timely request for hearing is received the board will make a decision on the petition pursuant to this subdivision without conducting the public hearing required under chapter 112. If no timely request for hearing is received the board shall make a decision on the petition without a

hearing within 30 days after the last publication of the notice. If one or more timely requests for hearing are received the board shall hold a hearing on the petition and shall follow the procedures in chapter 112 regarding notice and conduct of hearings. After completing the procedures required by this subdivision, the board shall, by its findings and order, make the boundary change requested if the board determines that:

- (a) the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred concurs in the petition,
- (b) the change is consistent with the purposes and requirements of sections 473.875 to 473.883, and
 - (c) the change can be accomplished in conformance with subdivision 3.

The board shall file a certified copy of the findings and order with the secretary of state. The order making the change must conform to subdivision 3. The order making the change may amend the order prescribing the distribution of managers of the district.

- Subd. 2. [TERMINATION.] A watershed district wholly within the metropolitan area may be terminated pursuant to this subdivision or chapter 112. Proceedings for termination under this subdivision must be initiated by a petition to the water resources board filed jointly by the governing bodies of all statutory and home rule charter cities and towns having jurisdiction over territory within the watershed. Upon the filing of a sufficient petition, the board shall hold a hearing in accordance with the procedures prescribed in chapter 112, to take testimony on the determinations required to be made by the board. Following the hearing, the board shall, by its findings and order, terminate the district as requested if the board determines:
- (a) that the local units of government having jurisdiction over territory within the watershed have formed a joint powers organization for the watershed pursuant to section 473.877.
- (b) that upon termination of the district the members of the joint powers organization, jointly or severally, are willing and able to assume ownership of the district's assets and the responsibility for managing and maintaining the district's projects as necessary to accomplish the purposes of sections 473.875 to 473.883 and to implement the watershed plan of the joint powers organization to be developed pursuant to section 473.878, and
- (c) that the termination can be accomplished in conformance with subdivision 3.

The board shall file a certified copy of the findings and order with the secretary of state. The order terminating the district must transfer the assets of the district to the joint powers organization or its members. The order must conform to subdivision 3.

Subd. 3. [LIMITATION.] The addition or transfer of property or termination of a district pursuant to this section must not affect the benefits or damages for any improvement previously constructed by the district having jurisdiction over the property before the board's order. The property affected is and remains liable for its proper share of any outstanding indebtedness of the watershed district applying to the property before the board's order, and

levies and assessments for the indebtedness continue in force until the debt is fully paid. In order to satisfy the requirements of this subdivision, the board may prescribe conditions on the boundary change or termination or may prescribe a later effective date for the termination of specified powers of a watershed district.

- Sec. 4. Minnesota Statutes 1982, section 473.878, is amended by adding a subdivision to read:
- Subd. 1a. [OPTIONAL PARTICIPATION.] Local government units, within or outside of the metropolitan area, having territory that is not subject to the requirements of this section but that is within a watershed part of which is subject to the requirements of this section, may enter into an agreement under section 473.877. A local government unit that enters into an agreement under this subdivision has the duties imposed and the authority granted in sections 473.875 to 473.883.
- Sec. 5. Minnesota Statutes 1982, section 473.878, subdivision 2, is amended to read:
- Subd. 2. [RESPONSIBLE UNITS.] Where a watershed management organization exists, the plan for the watershed shall be prepared and adopted by the organization. If a watershed management organization is not established by December 31, 1983 July 1, 1985, for any minor watershed unit located wholly outside of Hennepin and Ramsey counties, the county or counties containing the watershed unit shall prepare and, adopt and implement the watershed plan and shall have for this purpose the county or counties have the planning, review, and permitting, and financing authority of a watershed management organization specified in section sections 473.877 to 473.883. If a watershed management organization is not established by December 31, 1983 July 1, 1985, for any minor watershed unit within the metropolitan area and wholly or partly within Hennepin or Ramsey counties, the county or counties containing the watershed unit shall petition for the establishment of a watershed district under chapter 112, provided, however, that a district established pursuant to such a petition shall not cross a primary river nor a river forming the boundary between a metropolitan county and a county outside the metropolitan area, shall have boundaries which are based upon negotiations among all local government units which may have territory within the district and adjacent watersheds and shall not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river. A watershed management organization may request a county to prepare all or part of a plan. A county may delegate the preparation of all or part of a plan to the county soil and water conservation district. Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town.
- Sec. 6. Minnesota Statutes 1982, section 473.878, subdivision 3, is amended to read:
- Subd. 3. [GENERAL STANDARDS.] The watershed management plan shall extend through the year 1990 or any year thereafter which is evenly divisible by five. The plan shall contain the elements required by subdivision 4. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 473.875 to 473.883, considering the character of existing and anticipated physical and hydrogeologic

conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed. The plan shall be prepared and submitted for review under subdivision 5 by Desember 31, 1985 not later than December 31, 1986. Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 473.875 to 473.883. Existing or amended plans of a watershed management organization which meet the requirements of sections 473.875 to 473.883 may be submitted for review under subdivision 5.

Sec. 7. Minnesota Statutes 1982, section 473.878, subdivision 4, is amended to read:

Subd. 4. [CONTENTS.] The plan shall:

- (a) Describe the existing physical environment, land use, and development in the area and the environment, land use, and development proposed in existing local and metropolitan comprehensive plans;
- (b) Present information on the hydrologic system and its components, including any drainage systems previously constructed under chapter 106, and existing and potential problems related thereto;
- (c) State objectives and policies, including management principles, alternatives and modifications, water quality, and protection of natural characteristics;
- (d) Set forth a management plan, including the hydrologic and water quality conditions that will be sought and significant opportunities for improvement;
 - (e) Describe the effect of the plan on existing drainage systems;
- (f) Describe conflicts between the watershed plan and existing plans of local government units;
- (f) (g) Set forth an implementation program consistent with the management plan, which includes a capital improvement program and standards and schedules for amending the comprehensive plans and official controls of local government units in the watershed to bring about conformance with the watershed plan; and
 - (g) (h) Set out a procedure for amending the plan.
- Sec. 8. Minnesota Statutes 1982, section 473.882, subdivision 1, is amended to read:

Subdivision 1. [WATERSHED MANAGEMENT TAX DISTRICT.] Any local government unit planning for water management under sections 473.878 and 473.879 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under sections 473.878 and 473.879. Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 473.878 and which has a local water management plan adopted in accordance with section 473.879 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying capital costs of the water management facilities described in the capital improvement program of the plans and for

the purpose of paying for normal and routine maintenance of the facilities. A county or counties required by section 473.878, subdivision 2, to prepare, adopt, and implement a watershed plan may apportion the costs of planning, capital improvements, and maintenance among the minor watershed units in the watershed, or among the statutory and home rule charter cities having territory in the watershed, and for this purpose may establish more than one watershed management tax district in the watershed.

Sec. 9. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 10. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.876, subdivision 9; 473.877; 473.878, subdivisions 2, 3, 4, and by adding a subdivision; 473.882, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 473."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1482: A bill for an act relating to health; requiring the commissioner of health to publish information about hazardous substances; proposing new law coded in Minnesota Statutes, chapter 144.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [144.054] [ENVIRONMENTAL HEALTH INFORMATION.]

Subdivision 1. [LEGISLATIVE PURPOSE.] A large number of individuals are exposed to hazardous substances in the community or at the workplace. This exposure is frequently at low levels and individuals, communities, employers, and employees are not aware of the health and safety effects of exposure. It is the responsibility of the state to provide information and education to individuals, communities, employers, and employees concerning the risks of exposure in relation to other health and safety risks.

Subd. 2. [DEFINITION.] "Hazardous substance" means harmful physical agents and infectious agents that are regulated under the Employee Right to Know Act of 1983, including chemicals commonly used, inhaled, or consumed away from the workplace.

Subd. 3. [ENVIRONMENTAL HEALTH EDUCATION PROGRAM.]

The commissioner of health shall establish and maintain an environmental education and information program. As part of the program the commissioner shall:

- (1) provide information regarding epidemiologic, genetic, and other scientific studies proposed, underway, or completed that pertain to adverse health effects that may be associated with exposure to hazardous substances;
- (2) monitor and report on the activities and policies of the United States government relating to the exposure of communities, workers, or individuals to hazardous substances:
- (3) respond, within the scope of the powers and duties established under chapters 144 and 145, to other issues of concern to communities, employees, workers, and individuals relating to exposure to hazardous substances;
- (4) provide medical information to health professionals and others in the state regarding the detection, diagnosis, and treatment of acute and chronic symptoms that may be associated with exposure to hazardous substances; and
- (5) compile and publish by January 1, 1985, a list of the leading causes of death in Minnesota. To the extent possible, the list shall include references to hazardous substances to which individuals may have been exposed.
- Subd. 4. [SPECIAL STUDIES.] The commissioner may conduct studies regarding the prevalence of adverse health conditions in individuals exposed to certain hazardous substances and previous exposure of selected individuals who are terminally ill or deceased.
- Subd. 5. [ANNUAL REPORT.] The commissioner shall prepare an annual report to the standing committees of the legislature having jurisdiction over public health and hazardous substances. The report shall include:
- (1) a review and summary analysis of the scientific literature concerning new research on the effects of exposure to hazardous substances;
- (2) a list of hazardous substances indicating their general importance in terms of toxicity and the magnitude of this toxicity when compared to commonly known products, exposure of the public or special groups, and impact upon the health of the state;
- (3) a summary of the activities undertaken by the commissioner to inform and assist communities, individuals, employees, and employers who may have been exposed to hazardous substances;
- (4) a description and interpretation of the results of studies undertaken pursuant to this section; and
- (5) comments or recommendations the commissioner may consider appropriate.

Sec. 2. JAPPROPRIATION.1

There is appropriated to the commissioner of health \$112,500 for purposes of section 1.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, delete "publish" and insert "conduct studies and disseminate"

Page 1, line 4, after "substances;" insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1884: A bill for an act relating to occupations and professions; establishing a task force on sexual exploitation by psychotherapists.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, delete "on" and insert "to study the problem of"

Page 1, line 11, delete "psychotherapists" and insert " counselors and therapists"

Page 1, line 15, delete "psychotherapy" and insert "counseling or therapy"

Page 1, line 16, after the second comma, insert "mental health advocacy organizations, men's organizations,"

Page 1, line 22, delete "psychotherapists" and insert " counselors and therapists"

Page 1, line 23, after "educate" insert "counselors and" and before "employers" insert "their"

Page 1, line 23, delete "of therapists"

Page 2, line 2, after "nonabusive" insert "counselors and"

Page 2, line 3, before "therapist" insert "counselor or"

Page 2, line 6, delete "psychotherapy" and insert " counseling and therapy"

Page 2, line 14, delete "psychotherapist" and insert " counselor or therapist"

Page 2, line 16, delete "psychotherapists" and insert "counselors or therapists"

Page 2, line 21, delete "psychotherapy" and insert "therapy"

Page 2, line 23, delete "psychotherapists" and insert " counselors and therapists"

Amend the title as follows:

Page 1, line 3, delete "on" and insert "to study the problem of"

Page 1, line 4, delete "psychotherapists" and insert "counselors and therapists"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 909: A bill for an act relating to the environment; protecting communities from toxic substances and harmful physical agents; requiring information to be given to local fire departments; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 116.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [144.390] [SHORT TITLE.]

Sections 1 to 12 shall be known as the "Hazardous Substance Disclosure Act."

Sec. 2. [144.391] [LEGISLATIVE PURPOSE.]

The legislature finds that public health and safety is endangered by a lack of knowledge about hazardous substances located within the state, that the public has the right to know which hazardous substances it is exposed to in the community, and that firefighters have the right to know which substances they are exposed to so that they may be able to take adequate measures to protect themselves and the public against chronic and acute health and safety problems and protect both human life and property.

Sec. 3. [144.392] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purpose of sections 1 to 12 the following terms have the meanings given them.

- Subd. 2. [BUSINESS.] "Business" means an employer, self-employed individual, trust, firm, joint stock company, corporation, partnership, cooperative association, city, county, district, and the state, or any department or agency thereof. For the purposes of this act, a business shall include both for profit and nonprofit businesses.
- Subd. 3. [CHEMICAL NAME.] "Chemical name" means the scientific designation of a substance in accordance with the International Union of Pure and Applied Chemistry or the Chemical Abstracts Service rules of nomenclature.
- Subd. 4. [COMMISSIONER.] "Commissioner" shall mean the commissioner of the state department of health.
- Subd. 5. [COMMON NAME.] "Common name" means a designation or identification, such as a trade name or number, code name, brand name, or generic name, used by the employer to identify a substance other than by its chemical name.
- Subd. 6. [COMMUNITY RESIDENT.] "Community resident" means a resident of a home rule charter or statutory city, town, or, in the case of unorganized territory, a county in which a business uses, manufactures, or

stores a hazardous substance.

- Subd. 7. [FACILITY.] "Facility" means the building, equipment, and contiguous area at a single location used for the conduct of business.
- Subd. 8. [HANDLE.] "Handle" or "handling" means to generate, treat, store, or dispose of a hazardous substance in any fashion.
- Subd. 9. [HAZARDOUS SUBSTANCE.] "Hazardous substance" means a substance or agent manufactured, handled, used, or stored by a business within the state that:
 - (1) is a hazardous substance as defined in section 182,651:
- (2) is a hazardous material as defined by the commissioner pursuant to section 9, subdivision 7; or
- (3) becomes hazardous upon burning or that, when exposed to water, forms a solution or suspension that is hazardous.
- Subd. 10. [INVENTORY OF HAZARDOUS SUBSTANCES.] "Inventory of hazardous substances" means a listing, by chemical name, trade name, and common name, of any hazardous substance which a business manufactures, uses, or stores in a site within the state of Minnesota. The inventory shall also contain the method of storage and the amount of the hazardous substance present at each business site. The amount shall be reported in terms of a range of minimum and maximum quantities that may occur at the site at any one time.
- Subd. 11. [LOCAL FIRE DEPARTMENT; DEPARTMENT.] "Local fire department" or "department" means the fire department of a city, special fire district or town in which a fire department is established, or the police department of a city or town in which no fire department exists, or the county sheriff's department in cities or towns where no fire or police department exists, or the local fire department with which the city or town contracts for fire protection.
- Subd. 12. [MANUFACTURER.] "Manufacturer" means anyone who produces, synthesizes, extracts, or otherwise makes, processes, blends, packages, or repackages a hazardous substance.
- Subd. 13. [MATERIAL SAFETY DATA SHEET.] "Material safety data sheet" means the listing of information required in section 5.
- Subd. 14. [SIGNIFICANT CHANGE.] "Significant change" means any change that may necessitate a modification of emergency response procedures that might involve a hazardous substance. This includes changes that potentially impact firefighters, emergency response personnel, and community public safety.
- Subd. 15. [SITE.] "Site" means any workplace, area, location, or facility within the state at which hazardous substances are manufactured, handled, used, or stored.
- Subd. 16. [STORED.] "Stored" means a hazardous substance deposited or placed in a business site for a period of five days or more.
- Subd. 17. [UNIFORM FIRE CODE.] "Uniform fire code" means the code as authorized under section 299F.011.

- Subd. 18. [USE.] "Use" means the handling, processing, or storage of a hazardous substance.
- Subd. 19. [USER.] "User" means any business which uses, manufactures, stores, or handles a hazardous substance.

Sec. 4. [114.393] [SCOPE.]

Subdivision 1. [EXCEPTIONS.] Nothing in this act applies to:

- (a) except as required in the uniform fire code, consumer products and food stuffs packaged for distribution to, and intended for use by, the general public, including ingredients used in the production of food stuffs that are regulated by the Food, Drug, and Cosmetic Act, as amended;
- (b) labeled products labeled under the Food, Drug, and Cosmetic Act, as amended, or the Atomic Energy Act of 1954, as amended, as long as the products remain labeled in the workplace;
 - (c) hazardous substances transported through the state;
- (d) any hazardous waste materials for which hazardous waste generators are required to file disclosures under Minnesota hazardous waste laws provided the disclosures have been filed; or
 - (e) any products used by farm operations of ten employees or fewer.
- Subd. 2. [HAZARDOUS SUBSTANCE REPORTING.] Any hazardous substance for which training and information is required by section 182.653, is subject to the reporting requirements of section 5 of this act.
- Subd. 3. [MINIMUM REPORTABLE QUANTITIES.] (a) Any hazardous substance for which the uniform fire code requires a specific quantity to be permitted shall be subject to the reporting requirements of section 5 of this act in amounts greater than or equal to the specific quantity established in the permit. Adoption of these quantitites shall only be for the purpose of determining minimum reportable quantities under this act and shall in no way affect the permitting procedures of local departments.
- (b) Radioactive materials, carcinogens, mutagens, and teratogens shall be reportable in any quantity.
- (c) All other hazardous substances shall be reportable as referred to in the uniform fire code.
- (d) The local fire chief shall have the authority to lower the minimum reportable quantity for any hazardous substance as deemed necessary by the chief provided that some mechanism for appealing the chief's decision either exists or is established by the local unit of government where the chief's action takes effect.

Sec. 5. [144.394] [REPORTING REQUIREMENTS.]

Subdivision 1. [HAZARDOUS SUBSTANCE MIXTURE.] Every manufacturer of a hazardous substance shall provide each business in Minnesota who purchases the substance with the information necessary to complete a material safety data sheet as provided in this section. For a mixture of hazardous substances, the manufacturer may provide the information required by this section on the entire product mixture, instead of on each hazardous

substance in it, if all of the following conditions are met: hazard test information exists on the mixture itself or adequate information exists to form a judgment of the hazardous proportions of the mixture itself and the manufacturer indicates that the conclusions drawn are from some source other than direct testing on the mixture; information on the mixture is as effective in providing health and safety information as the information on the ingredients; and the hazardous substances in the mixture are identified together, with the information on the mixture.

- Subd. 2. [MATERIAL SAFETY DATA SHEET.] A business that manufacturers, uses, or stores a hazardous substance in a site within the state of Minnesota must by January 15, 1985, provide to the local fire department a material safety data sheet for every hazardous substance that appears in its business sites within the state. The material safety data sheet shall include the information required by section 182.653, subdivision 4b, or the following information if known:
- (a) the name, address, and the current telephone number of the manufacturer;
- (b) the name or names of the substance including any generic or chemical name, trade name, and commonly used name;
 - (c) the known acute and chronic effects of exposure at hazardous levels;
 - (d) the known symptoms of the effect;
 - (e) any potential for flammability, explosion, or reactivity of the substance;
 - (f) appropriate emergency treatment;
- (g) proper conditions for safe use and exposure to the hazardous substance, including the need for personal protective equipment; and
- (h) procedures for cleanup of leaks and spills of the hazardous substance, including emergency procedures for fire and explosion.
- Subd. 3. [ADDITIONAL INFORMATION.] After receiving the information required in subdivision 2 or 5, the local fire department may request and the business shall provide additional information about the hazardous substance that may help the department to protect firefighters, emergency response personnel, or the community at large in case of a fire or other emergency that might involve the substance.
- Subd. 4. [INVENTORY LISTING REPORTS.] A business that manufactures, uses, or stores a hazardous substance in a site within the state of Minnesota shall be required to prepare and complete the inventory of hazardous substances by December 31, 1984. For one year thereafter, upon the written request of an individual or upon the health department's own initiative, the commissioner may request any business that manufactures, uses, or stores a hazardous substance in a site within Minnesota to provide a copy of its inventory of hazardous substances. Within ten days of receipt of the request by the commissioner, the business shall provide a copy of the inventory to the commissioner. Businesses with multiple facilities within the state shall provide separate inventories for each of their facilities within the state. The commissioner shall forward the inventory to the requesting party within ten days of receipt. By January 15, 1986, every business that manufactures,

stores, or uses a hazardous substance in a site within the state must provide to the commissioner an inventory of hazardous substances reporting all hazardous substances that appear in each of its sites. Businesses with multiple facilities within the state shall provide separate inventories for each of their facilities within the state.

- Subd. 5. [REPORTING CHANGE.] A business that manufactures, uses, or stores a hazardous substance in a site within the state must report to the local fire department within five days of the change and to the department of health no less than once each year, any:
- (a) significant change in the use, handling, storage, or amount of hazardous substances; or
 - (b) new use or handling of a previously undisclosed hazardous substance.

Reporting changes required by this subdivision shall be made in writing and records of all reporting changes shall be retained by the business until the changes have been duly reported to the local fire department and the department of health. Changes in the name, address or ownership of a business shall be reported to the local fire department and department of health within 30 days.

- Subd. 6. [FURTHER INFORMATION.] After receiving the information required under subdivision 4 or 5, the commissioner may request and the business shall provide additional information about hazardous materials as deemed necessary by the commissioner.
- Subd. 7. [RETENTION OF DATA.] A business shall retain material safety data sheets for a period of at least one year after the hazardous substance was last used, manufactured, or stored in its business site.

Sec. 6. [144.395] [DUTIES OF LOCAL FIRE DEPARTMENTS.]

Subdivision 1. [DATA COLLECTION.] The local fire department shall accumulate and maintain current material safety data information on hazardous substances as received from manufacturers, users, or storers of hazardous substances within its jurisdiction.

- Subd. 2. [TRAINING GRANTS.] Local fire departments may apply to the state board of vocational-technical education for training grants to ensure that local department personnel are properly trained to handle public safety emergencies involving hazardous substances.
- Subd. 3. [MAINTENANCE GRANTS.] Local fire departments may apply to the department of public safety for data maintenance grants.

Sec. 7. [144.396] [NONPUBLIC DATA.]

Information and data in possession of local fire departments pursuant to sections 5 and 6 of this act are designated nonpublic data as defined in section 13.02.

Sec. 8. [144.397] [TRADE SECRET INFORMATION.]

Subdivision 1. [CHEMICAL NAME WITHHELD.] A business may withhold the chemical name of a hazardous substance on the material safety data sheet provided that:

(a) The business can establish that that information is a trade secret as

defined in section 325C.01, subdivision 5;

- (b) The business can establish that the substance is not a suspected or recognized carcinogen, reproductive toxicant, or one that causes other serious chronic or acute effects as defined by the American National Standards Institute Standard for Precautionary Labeling of Hazardous Industrial Chemicals (ANSI Z129.1-1982);
- (c) The material safety data sheet indicates which information is being withheld on trade secret grounds; and
- (d) The material safety data sheet remains on file at the local fire department for use in fire emergencies.
- Subd. 2. [INFORMATION PROVIDED.] A business must provide to the local fire department on the material safety data sheet the trade names or commonly-used names. The business shall not provide any information afforded trade secret protection by the department of health or any other state or federal agency unless it contains essential flammability data. In those cases, the business shall designate what information is considered trade secret information and is to be protected as such by the fire department.
- Subd. 3. [CHEMICAL NAME.] When submitting its inventory to the department, the business must include the chemical name for each hazardous substance for which it is requesting trade secret status to the commissioner. The commissioner may request of the business any other information needed to assess the validity of a trade secret claim. The commissioner shall develop a system for insuring that trade secrets are not improperly disclosed.
- Subd. 4. [INFORMATION PROTECTED.] No officer, employee, agent, or contractor of any local fire department or state department shall knowingly and intentionally disclose to anyone in any manner, unless authorized by law, any trade secret information, except as is required to administer the provisions of this act. Any person who violates this provision may be subject to the provisions of section 609.52 relating to the theft of trade secrets, and to the civil liabilities provided by chapter 325C or other relevant law.
- Subd. 5. [ACCESS.] The public shall have access to all general information regarding health hazards and safety precautions. On the request of any person or upon his own initiative, the commissioner shall determine whether information registered with the department of health as trade secret information is a trade secret as defined in subdivision 1. In making a determination, the commissioner shall also determine whether the information should in any event be disclosed in order to properly protect the public health and safety. In the event of the commissioner's decision to disclose information which has been accorded trade secret protection, the business which has sought the protection shall be notified by the department of health prior to disclosure.
- Subd. 6. [OTHER APPLICATION.] In cases where a chemical has already been afforded trade secret status by any state or federal agency, that trade secret designation shall be applied by the commissioner as well.
- Subd. 7. [DISCLOSURE.] In the event of a health emergency, to protect the health of firefighters or the general public, the commissioner of health shall disclose the chemical names of any substance which has been awarded trade secret protection to a fire chief upon the chief's request. Notwithstand-

ing any other provisions of this section, the fire chief, or his designated representative, is authorized to disclose trade secret information to physicians and other health professionals when such action is necessary to properly protect health, safety, or property in an emergency situation.

- Sec. 9. [144.398] [DUTIES OF THE STATE DEPARTMENT OF HEALTH.]
- Subdivision 1. [REPORTING FORMS.] The department of health shall develop and provide for businesses standard forms for reporting and updating the information required on the inventory of hazardous substances.
- Subd. 2. [DELEGATION OF RESPONSIBILITIES.] The commissioner of health may delegate any of the responsibilities under this act to a community health service agency organized and delegated pursuant to section 145.55.
- Subd. 3. [DATA MAINTENANCE.] The department of health shall maintain the information and data received pursuant to section 5 for a period of no less than 30 years.
- Subd. 4. [INVESTIGATION FOR COMPLIANCE.] The department of health shall investigate within 30 days after receiving a complaint of non-compliance with the requirements of this act, or after the failure to receive an inventory upon its request or that of a local fire department. The department of health shall have the right to enter a business site during normal operating hours to determine compliance with the provisions of this act and any rules adopted pursuant thereto.
- Subd. 5. [ANNUAL REPORT.] The commissioner shall prepare a report to be presented to the governor and legislature by June 30, 1986. The report shall describe the frequency and nature of public requests for hazardous substance information and make recommendations for appropriate ways making such information to the public thereafter. Annually thereafter, the commissioner shall conduct a review of the actual or potential health and safety effects of hazardous substances on communities adjacent to businesses that manufacture, use, or store hazardous substances on their sites. The review shall be presented to the governor and the legislature by July 1 with recommendations for further action. The commissioner of health shall conduct a feasibility study to determine the appropriateness of epidemiologic studies in assessing health and safety effects using the data collected pursuant to section 5, subdivision 4, and shall report to the legislature by June 30, 1986. If the studies are determined to be feasible, the commissioner shall request support for them in the department's next biennial budget request.
- Subd. 6. [INFORMATION ON LISTS.] (a) A community resident, (b) a representative of a unit of local or state government, or (c) a physician who needs the information for diagnosis or treatment is eligible to receive from the department of health a list of hazardous substances used, manufactured or stored in a facility, together with any health and safety information applicable to a particular substance. The information, unless protected by section 8, shall be provided by the commissioner after:
 - (a) receipt of a written request for information,
 - (b) determination of the eligibility of the applicant, and

(c) notification to the facility that a request for information has been received.

There shall be a minimum of two weeks between notification of a request to the facility and transmittal of the information to the eligible applicant. The commissioner may charge a reasonable fee for obtaining or reproducing any of the materials to be provided pursuant to this act. The commissioner may prescribe procedures by which the public may request and receive information.

Subd. 7. [RULES.] The commissioner may adopt rules to administer the provisions of the act for which the department of health is responsible.

Sec. 10. [144.399] [PENALTY.]

A violation of sections 1 to 9 constitutes a gross misdemeanor. Each day of violation shall constitute a separate and additional offense. The action may be brought by a city or county attorney, or by the attorney general.

Sec. 11. [APPROPRIATION.]

The sum of \$..... is appropriated from the general fund to the state board of vocational-technical education to train fire department personnel regarding hazardous substances.

The sum of \$...... is appropriated from the general fund to the department of public safety to assist local fire departments in the maintenance of data received pursuant to the provisions of this act.

The sum of \$..... is appropriated from the general fund to the commissioner of health to administer the provisions of this act and to be available for the fiscal year ending June 30, 1985.

The approved complement of the department of health is increased by positions.

Sec. 12. [EFFECTIVE DATE.]

Section 5, subdivision 4, is effective on the day following final enactment. All other sections are effective January 1, 1985."

Delete the title and insert:

"A bill for an act relating to the environment; protecting communities from hazardous substances; requiring information to be given to local fire departments and the state department of health; providing training grants to local fire departments; promulgating rules; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, chapter 144."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 1862: A bill for an act relating to insurance; regulating insurance claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12; 72A.23, subdivision 1; and

72A.25, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 72A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike "10" and insert "15"

Page 1, line 20, delete the new language

Page 1, delete lines 23 to 27

Page 2, delete lines 1 to 4 and insert:

- "Subd. 12. [UNFAIR SERVICE.] Causing or permitting with such frequency to indicate a general business practice the claims and complaints of insureds to be processed in an unreasonable length of time, or in an unfair, deceptive, or fraudulent manner, or in violation of such rules as the commissioner of insurance shall make in the public interest to insure the prompt, fair, and honest processing of such claims and complaints, shall constitute an unfair method of competition and an unfair and deceptive act or practice any unfair, deceptive, or fraudulent act concerning any claim or complaint of an insured or claimant including, but not limited to, the following practices:
- (1) misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue;
- (2) failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies;
- (3) failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies;
- (4) refusing to pay claims without conducting a reasonable investigation based upon all available information;
- (5) failing to affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed;
- (6) not attempting in good faith to effectuate prompt, fair, and equitable settlements of claims in which liability has become reasonably clear;
- (7) compelling insureds to institute litigation to recover amounts due under an insurance policy by offering substantially less than the amounts ultimately recovered in actions brought by the insureds;
- (8) attempting to settle a claim for less than the amount to which a reasonable person would have believed he or she was entitled by reference to written or printed advertising material accompanying or made part of an application:
- (9) attempting to settle claims on the basis of an application which was altered without notice to, or knowledge or consent of, the insured;
- (10) making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which the payments are being made;
- (11) making known to insureds or claimants a policy of appealing from arbitration awards in favor of insureds or claimants for the purpose of com-

pelling them to accept settlements or compromises less than the amount awarded in arbitration:

- (12) delaying the investigation or payment of claims by requiring an insured, claimant, or the physician of either to submit a preliminary claim report and then requiring the subsequent submission of formal proof of loss forms, both of which submissions contain substantially the same information:
- (13) failing to promptly settle claims, where liability has become reasonably clear, under one portion of the insurance policy coverage in order to influence settlements under other portions of the insurance policy coverage;
- (14) failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement.
 - Page 2, delete line 5 and insert:
- "Sec. 3. Minnesota Statutes 1982, section 72A.20, is amended by adding a subdivision to read:
- Subd. 12a. [CLAIMS SETTLEMENT.] (a) [ADMINISTRATIVE ENFORCEMENT.] The commissioner may, in accordance with chapter 14, adopt rules to insure the prompt, fair, and honest processing of claims and complaints. The commissioner may, in accordance with sections 72A.22 to 72A.25, seek and impose appropriate administrative remedies, including fines, for (1) a violation of this subdivision or the rules adopted pusuant to this subdivision; or (2) a violation of section 72A.20, subdivision 12. The commissioner need not show a general business practice in taking an administrative action for these violations.

No individual violation constitutes an unfair, discriminatory, or unlawful practice in business, commerce, or trade for purposes of section 8.31."

- Page 2, line 6, delete "Subdivision 1." and insert "(b)"
- Page 2, line 8, delete "section" and insert "subdivision,"
- Page 2, line 8, delete "the effect and"
- Page 2, delete lines 9 and 10 and insert "all pertinent facts and circumstances in determining the severity and appropriateness of the action to be taken in regard to any violation of this subdivision.

The magnitude of the harm to the claimant or insured, and any actions by the insured, claimant, or insurer that mitigate or exacerbate the impact of the violation may be considered.

Actions of the claimant or insured which impeded the insurer in processing or settling the claim, and actions of the insurer which increased the detriment to the claimant or insured may also be considered in determining the appropriate administrative action to be taken."

- Page 2, line 11, delete "Subd. 2." and insert "(c)"
- Page 2, line 11, delete "section" and insert "subdivision"
- Page 2, line 13, delete "(a)" and insert "(I)"
- Page 2, line 15, delete "(b)" and insert "(2)"

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Page 2, line 18, delete "(c)" and insert "(3)"
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Page 2, line 27, delete "(d)" and insert "(4)"

Page 2, line 33, delete "(e)" and insert "(5)"

Page 3, line 2, delete "(f)" and insert "(6)"

Page 3, line 4, delete "(g)" and insert "(7)"

Page 3, line 11, delete "(h)" and insert "(8)"

Page 3, line 17, delete "(i)" and insert "(9)"

Page 3, line 22, delete "(j)" and insert "(10)"

Page 3, line 25, delete "(k)" and insert "(11)"

Page 3, line 31, delete "(l)" and insert "(12)"

Page 3, line 34, delete "(m)" and insert "(13)"

Page 4, line 2, delete "(n)" and insert "(14)"

Page 4, line 13, delete "Subd. 3." and insert "(d)"

Page 4, delete lines 17 to 27 and insert:

- "(1) except for claims made under a health insurance policy, after receiving notification of claim from an insured or a claimant, failing to acknowledge receipt of the notification of the claim within ten business days, and failing to promptly provide all necessary claim forms and instructions to process the claim, unless the claim is settled within ten business days. The acknowledgment must include the telephone number of the company representative who can assist the insured or the claimant in providing information and assistance that is reasonable so that the insured or claimant can comply with the policy conditions and the insurer's reasonable requirements. If an acknowledgment is made by means other than writing, an appropriate notation of the acknowledgment must be made in the claim file of the insurer and dated. An appropriate notation must include at least the following information where the acknowledgment is by telephone or oral contact:
 - (i) the telephone number called, if any;
 - (ii) the name of the person making the telephone call or oral contact;
- (iii) the name of the person who actually received the telephone call or oral contact:
 - (iv) the time of the telephone call or oral contact; and
 - (v) the date of the telephone call or oral contact;"

Page 4, line 34, after "30" insert "business"

Page 5, line 4, before the semicolon, insert ". For claims made under a health policy the notification of claim must be in writing"

Page 5, delete lines 15 to 17

Renumber the remaining clauses in sequence

Page 5, line 32, before the semicolon, insert ". For the purposes of this clause, any claim on which the insurer has received no communication from

the insured or claimant for a period of two years preceding the expiration of the applicable statute of limitations shall not be considered to be known to be unresolved and notice need not be sent pursuant to this clause"

Page 6, line 11, after "falsified" insert "by the agent or insurer"

Page 6, line 22, delete "Subd. 4." and insert "(e)"

Page 7, line 26, delete "Subd. 5." and insert "(f)"

Page 7, line 28, delete "subdivisions 3, 4, 6, 7, and 8" and insert "paragraphs (d), (e), (g), (h), and (i)"

Page 10, line 17, delete "Subd. 6." and insert "(g)"

Page 10, line 28, delete "Subd. 7." and insert "(h)"

Page 10, line 33, delete "specific"

Page 11, line 9, delete "(a)" and insert "(i)"

Page 11, line 10, delete "(b)" and insert "(ii)"

Page 11, line 14, delete "(c)" and insert "(iii)"

Page 11, line 17, delete "(a)" and insert "(i)" and delete "after"

Page 11, line 18, delete "proof of loss was submitted"

Page 11, line 20, delete "(b)" and insert "(ii)"

Page 11, line 22, delete "Subd. 8." and insert "(i)"

Page 12, line 14, delete "Subd. 9." and insert "(j)"

Page 12, line 14, delete "section" and insert "subdivision"

Page 12, line 15, delete "section" and insert "subdivision"

Page 12, line 19, after the headnote, insert: "Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order hereunder:

(a) He may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of section 72A,19 or 72A,20. The order must be calculated to give reasonable notice of the rights of the person to request a hearing thereon and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. All hearings must be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted pursuant to this subdivision: and

(b)"

Page 12, line 22, delete the comma

Page 12, line 23, delete "72A.201"

Page 12, line 23, delete the first comma and insert "or" and delete the comma after "72A.20"

Page 12, line 24, delete "or 72A,201"

Page 12, line 33, delete "or 72A.201,"

Amend the title as follows:

Page 1, line 6, after "12" insert ", and by adding a subdivision"

Page 1, line 7, delete "; proposing"

Page 1, line 8, delete everything before the period

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was re-referred

S.F. No. 1813: A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 296.01, is amended by adding a subdivision to read:

Subd. 2a. [ALCOHOL.] "Alcohol" means methanol or denatured ethanol containing no more than 1.25 weight percent of water. The determination of water content shall be made in accordance with American Society for Testing and Materials Standard Method E-203.

Sec. 2. Minnesota Statutes 1982, section 296.01, subdivision 3, is amended to read:

Subd. 3. [GASOLINE.] "Gasoline" means:

(a) all products commonly or commercially known or sold as gasoline (including casinghead and absorption or natural gasoline) regardless of their classification or uses; and

(b) any liquid prepared, advertised, offered for sale or sold for use as or commonly and commercially used as a fuel in internal combustion engines, which when subjected to distillation in accordance with the standard method of test for distillation of gasoline, naphtha, kerosene and similar petroleum prod-

than 10 percent distilled (recovered) below 347 degrees Fahrenheit (175 degrees Centigrade) and not less than 95 percent distilled (recovered) below 464 degrees Fahrenheit (240 degrees Centigrade); provided however, that "gasoline" shall not include liquefied gases which would not exist as liquids at a temperature of 60 degrees Fahrenheit and at a pressure of 14.7 pounds per square inch absolute tested by the weights and measures division of the department of public service meets the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in American Society for Testing and Materials (ASTM) specification number D-439, "Standard Specification for Automotive Gasoline."

For gasoline that is blended with more than one volume percent of denatured ethanol, the gasoline portion of the blend or the finished gasoline-ethanol blend must meet the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in ASTM D-439.

For gasoline that is blended with more than one volume percent of methanol, the finished gasoline-methanol blend must meet the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in ASTM D-439, and must have a currently valid fuelifuel additive waiver by the United States Environmental Protection Agency as provided by United States Code, title 42, section 7545.

Sec. 3. Minnesota Statutes 1982, section 296.05, subdivision 1, is amended to read:

Subdivision 1. [GASOLINE.] No gasoline shall be sold for use in motor vehicles unless it shall conform to the following specifications:

- (1) It shall be is free from water, suspended matter, and all impurities;
- (2) The initial boiling point shall not be higher than 131 degrees Fahrenheit;
- (3) When 10 percent has been recovered in the receiver, the temperature shall not be higher than 167 degrees Fahrenheit;
- (4) When 50 percent has been recovered in the receiver, the temperature shall not be higher than 284 degrees Fahrenheit;
- (5) When 90 percent has been recovered in the receiver, the temperature shall not be higher than 392 degrees Fahrenheit;
 - (6) The end point shall not be higher than 437 degrees Fahrenheit;
- (7) The minimum recovery in the receiver shall be 95 percent of the volume used for the test except during the months of November, December, January, February and March, when the minimum recovery shall be 93 percent;
 - (8) The sulphur content shall not be more than 25 hundredths of one percent;
- (9) The residue shall not be more than two percent and it conforms to the requirements contained in section 296.01, subdivision 3.
- Sec. 4. Minnesota Statutes 1982, section 296.05, subdivision 4, is amended to read:
- Subd. 4. [TESTS, HOW MADE.] All tests shall be made by the weights and measures division of the department of public service in accordance with

the methods of outlined in the American Society for Testing and Materials specifications numbered D-439 and D-910.

- Sec. 5. Minnesota Statutes 1982, section 296.05, subdivision 6, is amended to read:
- Subd. 6. [AVIATION GASOLINE.] No aviation gasoline shall be received, sold, stored, or withdrawn from storage in this state unless it shall conform conforms to the specifications set forth in subdivision 4 and the provisions of subdivisions 4 and 5 shall apply to aviation gasoline American Society for Testing and Materials specification number D-910.
- Sec. 6. Minnesota Statutes 1982, section 296.05, is amended by adding a subdivision to read:
- Subd. 8. [ALCOHOL-BLENDED FUELS; DISCLOSURE.] A manufacturer, hauler, blender, agent, jobber, consignment agent, importer, or distributor who distributes gasoline containing alcohol shall state on an invoice, bill of lading, shipping paper, or other documentation used in normal and customary business practices, the percentages by volume and the types, if more than one percent, of alcohols contained in the gasoline; except when the gasoline is distributed to the ultimate consumer, such as a bulk delivery to a farmer, only the types of alcohol must be disclosed. In determining compliance with this subdivision, the weights and measures division of the department of public service shall allow a one percent tolerance above or below the percentage stated on the documentation.
- Sec. 7. Minnesota Statutes 1982, section 296.22, is amended by adding a subdivision to read:
- Subd. 13. [GASOLINE-ALCOHOL BLENDS; IDENTIFICATION.] When gasoline blended with alcohol is sold, offered for sale, or dispensed for use in motor vehicles, the dispenser shall be clearly marked to identify each type of alcohol, if more than one percent by volume, blended with the gasoline. The marking shall consist of a white or yellow adhesive decal not less than two inches by six inches with clearly printed black lettering not less than one-half inch high and one-eighth inch in stroke. The marking shall be conspicuously displayed on the front side of the dispenser and state that the gasoline "CONTAINS ETHANOL" or "CONTAINS METHANOL." This subdivision does not prohibit the posting of other alcohol or additive information.

Sec. 8. [APPROPRIATION; INCREASED COMPLEMENT.]

The sum of \$50,000 is appropriated from the general fund to the weights and measures division of the department of public service for the purpose of administering sections 1 to 7. The sum is available until June 30, 1985.

The general fund complement for the public service department is increased by one position."

Amend the title as follows:

Page 1, line 8, after "3" insert ", and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Com-

merce, to which was referred

S.F. No. 1826: A bill for an act relating to state government; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections 116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 10, insert:

"Section 1. [4.076] [AUTHORITY TO ALLOCATE INDUSTRIAL DE-VELOPMENT BONDS.]

The governor may proclaim an allocation of industrial development bonds for any governmental unit authorized to issue such bonds under Minnesota law. The governor shall advise the chairmen of the senate finance committee and the house appropriations committee of such allocation. The allocation shall be effective only upon enactment of legislation changing Internal Revenue Code Section 103 similar to H.R. 4170 which would allocate and/or limit the issuing of industrial development bonds by states and local units of government. This allocation shall remain in effect until July 1, 1985."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "state government;" insert "specifying authority of the governor;"

Page 1, line 8, delete "chapter" and insert "chapters 4 and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1522 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1522 1377

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1522 be amended as follows:

Page 1, line 8, delete "laws" and insert "section 282.018"

And when so amended H.F. No. 1522 will be identical to S.F. No. 1377, and further recommends that H.F. No. 1522 be given its second reading and substituted for S.F. No. 1377, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secre-

tary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred the following appointment as reported in the Journal for March 8, 1984:

DEPARTMENT OF COMMERCE COMMISSIONER

Michael Hatch

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 1404: A bill for an act relating to education; modifying certain erroneous and ambiguous education aid and levy provisions; amending Minnesota Statutes 1983 Supplement, sections 121.904, subdivision 4a; 124.195, subdivision 9; 124.201, subdivision 4; 124.2138, subdivision 1; 275.125, subdivisions 2e, 8, 8a, 9b; Laws 1983, chapter 314, article 6, section 34, subdivision 12, and article 9, section 14, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

ARTICLE I FOUNDATION AID

Section 1. [124.175] [AFDC PUPIL COUNT.]

Each year by March 1, the department of public welfare shall certify to the department of education, for each school district, the number of pupils from families receiving aid to families with dependent children who were enrolled in a public school on October 1 of the preceding year.

Sec. 2. [124.242] [ISOLATED SCHOOL AID.]

A district having more than 2,500 square miles in area and operating six or more secondary schools shall receive aid equal to \$50 times the actual pupil units in that school year.

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 1, is amended to read:

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982 1983 school year. The formula allowance shall be \$1,475 for the 1982 payable 1983 levies and for foundation aid for the 1983 payable 1984 levies and for foundation aid for the 1984 school year. The

formula allowance shall be \$1,600 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.

Sec. 4. Minnesota Statutes 1982, section 124.2126, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION.] A district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises 60 55 percent or more of the assessed valuation of the district shall qualify for minimum aid.

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.2138, subdivision 1, is amended to read:

Subdivision 1. [BASIC MAINTENANCE LEVY EQUITY.] (1) In any year when the amount of the maximum levy limitation for any district under section 275.125, subdivision 2a, exceeds the district's basic foundation revenue for the corresponding fiscal year, an amount shall be deducted as provided in this subdivision from special state aids of chapter 124 receivable for the same fiscal year, and from state payments on behalf of the district for the same fiscal year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b). However, the aid authorized in sections 124.2137 and 124.646 shall not be reduced.

- (2) The amount of the deduction shall equal the difference between:
- (a) the sum of the amount of the district's maximum levy limitation under section 275.125, subdivision 2a, plus the amount of any reductions to that levy limitation pursuant to section 275.125, subdivisions subdivision 2e, clause (1)(b), and subdivision 9, and
 - (b) the district's basic foundation revenue.

However, for fiscal year 1985, the amount of the deduction shall be one-sixth of the difference between clauses (a) and (b); for fiscal year 1986, the amount of the deduction shall be one-third of the difference between clauses (a) and (b); for fiscal year 1987, the amount of the deduction shall be one-half of the difference between clauses (a) and (b); for fiscal year 1988, the amount shall be two-thirds of the difference between clauses (a) and (b); and for fiscal year 1989, the amount of the deduction shall be five-sixths of the difference between clauses (a) and (b).

Sec. 6. Minnesota Statutes 1983 Supplement, section 124A.06, subdivision 1, is amended to read:

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance shall be the result of the following computation:

- (a) Divide the amount of aid the district would have received for the 1980-1981 school year if Minnesota Statutes, 1979 Supplement, section 124.224, as amended by section 124.2124, subdivision 1, had been effective for the 1980-1981 school year by the actual pupil units in the district in the 1980-1981 school year.
 - (b) Divide the formula allowance for the school year by \$1265.
 - (c) Multiply the result in clause (a) by the result in clause (b).

- (d) Subtract 1.25 from the training and experience index, and multiply the difference by \$300 for the 1984-1985 school year, or \$400 for the 1985-1986 school year and thereafter.
 - (e) Select the greater of the result in clause (d) or zero.
 - (f) Add the results of clauses (c) and (e).
- Sec. 7. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2e, is amended to read:
- Subd. 2e. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] (1) In any year when the amount of the maximum levy limitation under subdivision 2a for any district, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of actual and AFDC total pupil units for that district for that school year, the levy limitation for that district under subdivision 2a shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 2a:
 - (a) the sum of
- (i) the product of the district's foundation aid formula allowance for the school year in which the levy is recognized as revenue, times the estimated number of actual and AFDC total pupil units for that district for that school year, plus
- (ii) the amount of by which special state aids of chapter 124 receivable for the same school year, excluding aid authorized in sections 124.2137 and 124.646, are estimated to be reduced pursuant to section 124.2138, subdivision 1, plus
- (iii) the amount of by which state payments on behalf of the district for the same school year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), are estimated to be reduced pursuant to section 124.2138, subdivision 1, less
- (b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124.2132, subdivision 4 in the school year in which the levy is recognized as revenue.
- (1) However, for fiscal year 1985, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-sixth; for fiscal year 1986, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-third; for fiscal year 1987, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by one-half; for fiscal year 1988, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by two-thirds; and for fiscal year 1989, the amounts in clauses (a)(ii) and (a)(iii) shall be multiplied by five sixths.
- (2) A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, for purposes of statutory cross-reference.
- Sec. 8. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended to read:
 - Subdivision 1. [DISTRIBUTION FROM GENERAL FUND.] The pro-

ceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

- (1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.
- (2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.
- (3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:
- (a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).
- (b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2d.
- (c) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. Each district shall receive the product of:
 - (i) \$150 times the pupil units identified in section 124.17, subdivision 1,

clauses (1) and (2), enrolled in the second previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

- (ii) the lesser of:
- (A) one, or
- (B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to sections 124.2121 to 124.2128 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

- (d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.
 - (4) 19.5 cents per taxable ton to counties to be distributed as follows:
- (a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).
- (b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.
- (c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).
- (5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.
- (b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are

- conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.
- (6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.
- (7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.
- (8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.
- (9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.
- (10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: In 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.
- (a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.
- (b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977

under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection trust fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 9. [APPROPRIATION.]

There is appropriated from the general fund to the department of education the sum of \$166.500 for isolated school aid for fiscal year 1985.

Sec. 10. [REPEALER.]

Minnesota Statutes 1982, section 124.212, subdivision 1, is repealed.

ARTICLE 2 SUMMER LEARNING PROGRAMS

Section 1. Minnesota Statutes 1982, section 124.20, is amended to read:

124.20 [AID FOR SUMMER SCHOOL LEARNING PROGRAM AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer school learning program classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school learning program classes in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall be paid under the provisions of this section.

- Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer school learning program and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.
- (1) "Summer school learning program pupil units" means full-time equivalent pupil units for summer school learning program classes and inter-session classes of flexible school year programs computed under the provisions of section 124.17.
- (2) "Summer school learning program instructional revenue allowance" means an amount equal to the product of the number of summer school learning program pupil units in a district, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.
- (3) For summer programs in 1982, "summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times 89 percent of the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year. "Summer educational improvement revenue allowance" means an amount equal to the product of 0.005, times the number of actual pupil units in the district in the preceding regular school year, times the foundation aid formula allowance as

defined in section 124.2122 for the preceding regular school year.

- (4) "Total summer learning program revenue allowance" means an amount equal to the sum of a district's summer learning program instructional revenue allowance and summer educational improvement revenue allowance.
- (5) "Summer school learning program aid" means aid for summer school learning program and inter-session classes of flexible school year programs.
- Subd. 4. [SUMMER LEARNING PROGRAM AID.] In fiscal year 1986 and each year thereafter, a district shall receive summer learning program aid equal to the difference between:
 - (1) the product of
- (a) the ratio of the district's actual levy to its permitted levy, pursuant to section 275.125, subdivision 2k, certified in the calendar year before the summer learning program is offered; times
 - (b) the district's total summer learning program revenue allowance; and
- (2) the levy certified by the district pursuant to section 275.125, subdivision 2k, in the calendar year before the summer learning program is offered.
- Subd. 5. [AID ADJUSTMENT.] The department of education shall adjust the summer learning program aid paid each year to reflect adjustments which were made or could have been made to the levy because of a difference between estimated and actual pupil membership. The department shall also adjust summer learning program levy limitations for districts where actual pupil membership differs from estimated pupil membership.
- Subd. 6. [AUTHORIZED USE OF SUMMER LEARNING PROGRAM AID AND LEVY.] (a) A school board may use the proceeds of the aid and levy received pursuant to this section and section 275.125, subdivision 2k, only for summer classes that are offered for credit or required for graduation or that provide academic enrichment or remediation. The proceeds may not be used for recreational sports, leisure activities, entertainment, recreational activities, crafts, hobbies, or any other classes of a similar nature. Summer learning programs for a handicapped pupil shall relate to the pupil's individual education plan.
- (b) The proceeds may also be used for expenditures during the summer for curriculum development, staff development, parent or community involvement, experimental educational delivery systems, the summer portion of an improved learning program operated according to sections 121.501 to 121.507, and other measures designed to improve education in the district.
- Sec. 2. Minnesota Statutes 1982, section 124.201, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS.] For fiscal years 1984 and 1985, foundation aid for handicapped pupils enrolled in (1) summer school learning program classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school learning program classes in elementary and secondary schools, and (4) summer school instruction in teachers college laboratory schools or in the university laboratory school, shall

be paid under the provisions of this section.

- Sec. 3. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 2, is amended to read:
- Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for handicapped pupils enrolled in summer school learning program and intersession classes of flexible school year programs, the following phrases shall have the meanings given them.
- (1) "Summer school learning program pupil units" means full-time equivalent pupil units for summer school learning program classes and intersession classes of flexible school year programs computed under the provisions of section 124.17. Only pupils who are handicapped and who are appropriately served at levels 4, 5, or 6 of the continuum of placement model described in state board rules shall be included in the computation of summer school learning program pupil units for the purposes of computing summer learning program foundation aid for payment in fiscal years 1984 and 1985.
- (2) "Summer school learning program revenue allowance" means an amount equal to the product of the number of summer school learning program pupil units in a district, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.
- (3) "Summer school learning program aid" means aid for summer school learning programs and intersession classes of flexible school year programs.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 5, is amended to read:
- Subd. 5. [SUMMER SCHOOL LEARNING PROGRAM AID.] In fiscal year 1985 and each year thereafter, a district shall receive summer school learning program aid equal to the difference between:
 - (1) the product of
- (a) the ratio of the district's actual levy to its permitted levy, pursuant to section 275.125, subdivision 2k 2j, clause (b), certified in the calendar year before the summer school program is offered 1983; times
 - (b) the district's summer school learning program revenue allowance; and
- (2) the levy certified by the district pursuant to section 275.125, subdivision 2k 2j, clause (b) in the ealendar year before the summer school program is offered 1983.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2k, is amended to read:
- Subd. 2k. [HANDICAPPED SUMMER SCHOOL LEARNING PROGRAM LEVY.] In 1984 and each year thereafter, a district may levy for summer school learning program programs for handicapped pupils an amount equal to the following product:
- (a) The district's estimated total summer sehool learning program revenue allowance as defined in section 124.201 124.20, subdivision 2, clause (2) for the summer sehool learning program session to be held in the calendar year after the calendar year when the levy is certified, times
 - (b) the lesser of

- (1) one, or
- (2) the ratio of
- (i) the quotient derived by dividing the adjusted assessed valuation of the district in the second preceding year by the total pupil units in the district in the current regular school year, to
 - (ii) the equalizing factor for the current regular school year.

Sec. 6. [REQUEST OF THE REVISOR.]

The revisor of statutes, when editing 1984 Laws in preparation for publishing Minnesota Statutes 1984, is requested to change references to sections 121.501 to 121.507 in this act to references to the appropriate sections in chapter 129B.

Sec. 7. [REPEALER.]

Subdivision 1. Minnesota Statutes 1982, section 275.125, subdivision 2g, and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2i, are repealed.

Subd. 2. Minnesota Statutes 1982, section 124.201, as amended by Laws 1983, chapter 314, article 3, sections 3, 4, 5, 6, and 7; and by sections 2, 3, and 4 of this act; and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2j, are repealed.

Sec. 8. [EFFECTIVE DATE.]

Section 1 is effective September 1, 1984, for summer learning programs to be held in 1985 and thereafter. Section 7, subdivision 2, is effective May 1, 1985.

ARTICLE 3

SPECIAL EDUCATION

Section 1. Minnesota Statutes 1983 Supplement, section 120.17, subdivision 3b, is amended to read:

- Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:
 - (a) Parents and guardians shall receive prior written notice of:
- (1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;
- (2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or
- (3) the proposed provision, addition, denial or removal of special education services for their child;
- (b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held

pursuant to clause (d) at the district's initiative after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (c):

- (c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);
- (d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to:
- (1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;
- (2) the proposed placement of their child in, or transfer of their child to a special education program;
- (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;
- (4) the proposed provision or addition of special education services for their child; or
- (5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with his objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the commissioner hearing review officer by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

- (1) be in writing;
- (2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the eommissioner hearing review officer of the basis and reason for the decision:
- (3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;
- (4) state the amount and source of any additional district expenditure necessary to implement the decision; and
- (5) be based on the standards set forth in subdivision 3a and the rules of the state board.
- (f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the eommissioner hearing review officer within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The eommissioner hearing review officer shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The eommissioner hearing review officer shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The eommissioner hearing review officer may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

- (1) be in writing;
- (2) include findings and conclusions; and
- (3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.
- (g) The decision of the commissioner hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.
- (h) The commissioner of education, having delegated general supervision of special education to the appropriate staff, shall be the hearing review officer except for appeals in which:
- (1) the commissioner has a personal interest in or specific involvement with the student who is a party to the hearing;
- (2) the commissioner has been employed as an administrator by the district that is a party to the hearing;
- (3) the commissioner has been involved in the selection of the administrators of the district that is a party to the hearing;

- (4) the commissioner has a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;
- (5) the hearing challenges a state or local policy which was developed with substantial involvement of the commissioner; or
 - (6) the hearing challenges the actions of a department employee or official.

For any appeal to which the exceptions in (h) apply, the state board shall name an impartial hearing review officer.

In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality of the proposed hearing review officer by applying to the state board.

- (h) (i) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in his current educational placement and shall not be denied initial admission to school.
- (i) (j) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

ARTICLE 4

COMMUNITY EDUCATION AND

COUNCIL ON QUALITY EDUCATION

- Section 1. Minnesota Statutes 1983 Supplement, section 121.503, subdivision 5, is amended to read:
- Subd. 5. [REPORT.] The council on quality education shall submit a report to the *education committees of the* legislature by February 1 each year. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 129B.02, subdivision 4, is amended to read:
- Subd. 4. [REPORT TO LEGISLATURE.] The council shall report to the education committees of the legislature by November 15 of each even-numbered year concerning all research and all proposals received, the dispositions of them by the council and the state board of education, the evaluations of the programs that were funded, and of receipts and expenditures resulting from sales of materials developed through venture fund grants.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 1, is amended to read:

Subdivision 1. [COPYRIGHT.] Products of projects and programs funded pursuant to sections 129B.01 to 129B.05, including curriculum and instructional materials, computer and telecommunications software, and associated manuals and reports, may be copyrighted by the council in the name of the state and may be sold. However, the state shall sell the products to all school districts and public agencies in the state at prices that do not exceed the cost

of reproduction and distribution. Products sold shall be clearly labeled as products developed pursuant to a grant or loan from the council on quality education.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 3, is amended to read:
- Subd. 3. [REVOLVING FUND.] The education products product and loan repayment revolving account is established in the state treasury. Except as provided in the agreement between the council and the Minnesota educational computing consortium pursuant to subdivision 2, Repayment of loans, made according to section 129B.04, subdivision 2, and sale proceeds up to the cost of reproduction and distribution from the sale of products under this section shall be deposited in this account. All funds in this account are annually appropriated to the department of education and shall be used to reproduce and distribute products of projects and programs funded pursuant to sections 129B.01 to 129B.05.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 8, is amended to read:
- Subd. 8. [COMMUNITY EDUCATION LEVY.] (1) Except as provided in clauses (2) and (3), in 1982 a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .9 mill times the most recent adjusted assessed valuation of the district, but no more than \$5 times the population of the district. This amount shall be reduced to \$4.75 per capita for districts which will qualify for aid in fiscal year 1984 equal to 25 cents per capita pursuant to section 124.271, subdivision 2a, clause (1)(b).
- (2) In 1982 districts which received total revenue in fiscal year 1983 from community education aid and levy in excess of \$5 times the population of the district, may levy the amount of the fiscal year 1983 revenue less \$5 times the population of the district in addition to the amount in clause (1).
- (3) In 1982 districts which will qualify for aid pursuant to section 124.271, subdivision 2a, clause (1)(c) may levy the greater of the following:
 - (a) \$5 per capita minus \$7,000; or
- (b) the amount of their fiscal year 1983 revenue from community education aid and levy minus \$7,000.
- (4) In 1983 and (1) Each year thereafter, a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .8 mill times the most recent adjusted assessed valuation of the district, but no more than the greater of
 - (a) \$5 times the population of the district, or
 - (b) \$7,000.
- (5) In addition to the levy authorized in clause (4), in 1983 a district may levy an additional amount for community education programs equal to the difference obtained by subtracting
 - (a) the sum in fiscal year 1984 of
 - (i) the district's estimated maximum permissible revenue from community

education aid under section 124.271, subdivision 2a, clause (1), and

- (ii) the community education levy authorized in clause (4) of this subdivision, from
 - (b) the sum in fiscal year 1983 of
- (i) the district's maximum permissible revenue from community education aid under section 124.271, subdivision 2, excluding any reductions from community education aid made pursuant to Laws 1981, Third Special Session chapter 2, article 2, section 2, clause (mm), and Laws 1982, Third Special Session chapter 1, article 3, section 6, and
- (ii) the maximum community education levy authorized in this subdivision for the district for the levy made in 1981, payable in 1982, before any reduction in the levy pursuant to subdivision 9.
- (6) (2) In 1984 and Each year thereafter, in addition to the levy authorized in clause (4) (1), a district may levy an amount equal to the amount the district was entitled to levy pursuant to Minnesota Statutes 1983 Supplement, section 275.125, subdivision 8, clause (5) in 1983.
- (7) (3) The levies authorized in this subdivision shall be used for community education, including nonvocational adult programs, recreation and leisure time activity programs, and programs authorized by sections 121.85 to 121.88 and 129B.06 to 129B.09. A school district may levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to levy pursuant to this subdivision.
- (8) (4) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.
- Sec. 6. Laws 1983, chapter 314, article 9, section 14, subdivision 3, is amended to read:
- Subd. 3. [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.] For early childhood and family education programs pursuant to sections 129B.06 to 129B.09, there is appropriated:
 - \$1,028,000....1984.

The appropriation for fiscal year 1984 includes \$209,000 for grants for fiscal year 1983 payable in fiscal year 1984, and \$819,000 for grants for fiscal year 1984. The amount of the appropriation for grants for fiscal year 1984 is the total appropriation for these grants.

The council on quality education shall prorate this amount among the eligible districts in proportion to the ratio of the district's grant for fiscal year 1983 to the total amount of grants made for fiscal year 1983. However, the total amount of revenue received by a district for fiscal year 1984 pursuant to

this subdivision and Minnesota Statutes, section 124.271, subdivision 2a, clause (2) shall not exceed the amount of the district's grant for fiscal year 1983; if any district's aid is reduced because of this limitation, the amount of the reduction shall be prorated among the districts not subject to this limitation.

Sec. 7. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 129B.041, subdivision 2, is repealed.

ARTICLE 5

VOCATIONAL EDUCATION

- Sec. 1. Minnesota Statutes 1983 Supplement, section 124.5615, subdivision 5, is amended to read:
- Subd. 5. [REPAIR AND BETTERMENT AID.] The final allocation of repair and betterment aid by the state board does not constitute approval of a project for the purposes of section 121.21, subdivision 4a. The aid shall be placed in the repair and betterment account of the eapital expenditure fund and used solely for the purposes enumerated in section 124.5612, subdivision 8. The school board shall authorize and approve actual expenditures of the aid allocated, except that expenditures which exceed \$5,000 shall receive prior approval by the eommissioner of education state director. The process in section 124.5614 shall not constitute approval for this purpose. Use of the aid shall be governed by the provisions of section 121.21, subdivision 4a.
- Sec. 2. Minnesota Statutes 1982, section 124.565, subdivision 7, is amended to read:
- Subd. 7. [VETERAN'S EXEMPTION.] A Minnesota resident veteran who is a Minnesota resident shall be whose entire education has not included completion of at least one tuition free post secondary vocational technical school program, is exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) 440 post-secondary vocational-technical school days, or the equivalent as determined by the state board for of vocational technical education, or (b) one post-secondary vocational-technical school program.
- "Veteran" for the purpose of this subdivision means a person who served in the active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable.
- Sec. 3. Minnesota Statutes 1982, section 124.573, subdivision 3, is amended to read:
- Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board of education. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid,

- but . The rules shall not require any minimum number of program offerings or administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational education. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board for vocational of education.
- Sec. 4. Minnesota Statutes 1982, section 136A.02, subdivision 6, is amended to read:
- Subd. 6. There is hereby created a higher education advisory council, the membership of which shall include the president of the University of Minnesota, the chancellor of the state university board, the chancellor of the state board for community colleges, the state director of the state board of vocational technical education, the commissioner of education, the executive director of the Minnesota private college council, and a representative from the Minnesota association of private post-secondary schools. The advisory council shall (1) bring to the attention of the board any matters which the council deems as needing attention of the board, (2) make recommendations to the board as the council deems appropriate, (3) review and comment upon proposals and other matters before the board, and (4) provide any reasonable assistance to the board in its effort to fulfill responsibilities of the board. The board shall periodically inform the council of all matters under consideration by the board and shall refer all proposals to the council prior to transmitting such proposals as recommendations to the governor and the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The higher education advisory council shall report to the board quarterly and at such other times as the council may deem desirable. The council shall determine its meeting times, but the council shall also meet within 30 days following a request for a council meeting by the executive director of the board.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 136C.04, is amended by adding a subdivision to read:
- Subd. 4a. [CARRY OVER AUTHORITY.] The state board may carry over any unexpended balance from its appropriation from the first year of a biennium into the second year of the biennium. The state board may carry over an unexpended balance up to a maximum of two percent of its biennial appropriation into the following biennium. These moneys shall not be taken into account in determining state appropriations.

Sec. 6. [136C.06] [SOLE STATE AGENCY.]

The state board of vocational technical education is the sole state agency to

receive and disburse federal funds authorized by the Vocational Education Act of 1963, as amended in the education amendments of 1976, Public Law Number 94-482, and Code of Federal Regulations, title 34, part 400. The state board shall develop and submit the state plan for vocational technical education. The state board shall develop the state plan according to terms of agreement with the state board of education.

Sec. 7. [APPROPRIATION.]

The sum of \$500,000 is appropriated from the general fund to the state board of vocational technical education for fiscal year 1985 to develop new programs and to update curriculum.

Sec. 8. [EFFECTIVE DATE.]

Section 5 is effective June 30, 1984.

ARTICLE 6

OTHER AIDS AND LEVIES

Section 1. [121.881] [PURPOSE.]

The purposes of sections 1 and 2 are to strengthen families, to help parents to provide for their children's learning and development, and to help young children to develop their physical, mental, and social potentials.

Sec. 2. [121.882] [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] A district which provides a community education program may establish an early childhood and family education program. Two or more districts, each of which provides a community education program, may cooperate to jointly provide an early childhood and family education program.

- Subd. 2. [PROGRAM CHARACTERISTICS.] Early childhood and family education programs are programs for children in the period of life from birth to kindergarten and for the parents of such children. The programs may include the following:
- (1) programs to educate parents about the physical, mental, and emotional development of children;
- (2) programs to enhance the skills of parents in providing for their children's learning and development;
 - (3) learning experiences for children and parents;
- (4) activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;
- (5) libraries of books, toys, home activity kits, and other educational materials which may be borrowed for home use;
 - (6) information on related community resources; or
 - (7) other programs or activities.

The programs shall not include activities for children that do not require substantial involvement of the children's parents.

- Subd. 3. [SEPARATE ACCOUNTS.] The district shall maintain a separate account within the community education fund for money for early childhood and family education programs.
- Subd. 4. [PARTICIPANTS' FEES.] A district may charge a reasonable fee but it shall waive the fee for a participant unable to pay.
- Subd. 5. [ADDITIONAL FUNDING.] A district may receive funds from any governmental agency or private source.
- Subd. 6. [COORDINATION.] A district is encouraged to coordinate the program with its special education and vocational education programs and with related services provided by other governmental agencies and nonprofit agencies.
- Subd. 7. [DISTRICT ADVISORY COUNCILS.] The school board shall appoint an advisory council from the area in which the program is provided. A majority of the council shall be parents participating in the program. The council shall assist the board in developing, planning, and monitoring the early childhood and family education program. The council shall report to the school board and the community education advisory council.
- Subd. 8. [TEACHERS.] A school board shall employ necessary qualified teachers for its early childhood and family education programs.
- Subd. 9. [ASSISTANCE.] The department of education shall provide assistance to districts with programs described in this section.
- Subd. 10. [RULES.] The state board of education may adopt rules about program facilities, staff, services, and procedures.
 - Sec. 3. [124.248] [ESTABLISHMENT OF EDUCATION DISTRICTS.]
- Subdivision 1. [DECLARATION OF POLICY.] It is the intent of the legislature to encourage improved efficiency and effectiveness of education in Minnesota and to maximize the use of educational faculty and educational facilities. It is the policy of the legislature to encourage educational institutions, districts, and systems to work together cooperatively.
- Subd. 2. [EDUCATION DISTRICT DEFINITION.] For purposes of this section, "education district" means:
- (1) fewer than four school districts, if the combined enrollment is at least 10,000 pupils, which have entered into an agreement pursuant to section 122.541, 122.85, or 471.59; or
- (2) four or more school districts which have entered into an agreement pursuant to section 122.541, 122.85, or 471.59; or
- (3) a district or an attendance area within a school district with a total enrollment of more than 10,000 pupils in the attendance area.
- Subd. 3. [POWERS AND DUTIES.] School districts participating in an education district shall work cooperatively to extend, combine, or expand current educational and curriculum opportunities for all students in the education district. Efforts shall be made to encourage cooperation and partnerships with post-secondary educational systems and business and industry. Efforts shall also be made to improve efficiency and cost effectiveness and maximize the use of administrative and instructional personnel within the

education district. This may involve the sharing of personnel as well as facilities. An education district must operate programs pursuant to sections 121.85 to 121.88, 121.501 to 121.507, 124.247, and 129B.06 to 129B.09.

- Subd. 4. [EDUCATION DISTRICT BOARD.] An education district board shall coordinate the manner in which the agreement is carried out. The board shall consist of up to two representatives appointed by the full membership of each of the boards of the districts entering into the agreement and at least one representative from each vocational institution located in the education district.
- Subd. 5. [ADVISORY COUNCIL.] An advisory council consisting of representatives from the following areas shall be appointed by the education board: improved learning program, early childhood and family education program, gifted and talented program, community education program, curriculum advisory committee, special education, vocational education, parent associations, and public and private post-secondary institutions in the education district area.
- Subd. 6. [STATE BOARD.] Prior to the receipt of any funds by an education district, the agreement entered into by participating districts shall be reviewed and approved by the state board of education. The programs approved by the state board of education shall represent a balance between rural, suburban, and urban school districts.
- Subd. 7. [AID.] An eligible school district shall receive for the purpose of this program an amount equal to .015 pupil units times the basic foundation aid allowance for the school year for which the aid is being paid for every child up to five years of age residing in the school district and each pupil in average daily membership enrolled in the public elementary or secondary schools in the district. Aid shall be paid by June 30 of each fiscal year. Final decisions regarding use of the funds shall remain with the education board organized for each education district.
- Subd. 8. [USE OF CAPITAL EXPENDITURE FUNDS.] Notwithstanding the provisions of section 275.125, subdivision 11a, a district receiving aid pursuant to this section may use capital expenditure funds to purchase computer hardware and software for computer assisted learning programs.
- Subd. 9. [USE OF TRANSPORTATION AID.] Notwithstanding the provisions of section 124.223, aid received by a district under section 124.225 may be used to transport teachers within an education district.
- Sec. 4. [124.2711] [EARLY CHILDHOOD AND FAMILY EDUCATION AID.]
- Subdivision 1. [DEFINITION OF MAXIMUM REVENUE.] The "maximum revenue" for early childhood and family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year.
- Subd. 2. [POPULATION.] For the purposes of subdivision 1, data reported to the department of education according to the provisions of section 120.095 may be used to determine the number of people under five years of

age residing in the district. The commissioner, with the assistance of the state demographer, shall review the number reported by any district operating an early childhood and family education program. If requested, the district shall submit to the commissioner an explanation of its methods and other information necessary to document accuracy. If the commissioner determines that the district has not provided sufficient documentation of accuracy, the commissioner may request the state demographer to prepare an estimate of the number of people under five years of age residing in the district and may use this estimate for the purposes of subdivision 1.

- Subd. 3. [AID.] In fiscal year 1986 and thereafter, if a district complies with the provisions of section 2, it shall receive early childhood and family education aid equal to
- (a) the difference between the maximum revenue, according to subdivision 1, and the permitted levy attributable to the same school year, according to section 275.125, subdivision 8b, times
- (b) the ratio of the district's actual levy to its permitted levy attributable to the same school year, according to section 275.125, subdivision 8b.
- Subd. 4. [USE OF REVENUE RESTRICTED.] The proceeds of the aid authorized by this section and the levy authorized by section 275.125, subdivision 8b, shall be used only for early childhood and family education programs.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 124.271, subdivision 2b, is amended to read:
- Subd. 2b. [AID; 1985 AND AFTER.] (1) In fiscal year 1985 and Each fiscal year thereafter, each a district which is operating a community education program in compliance with rules promulgated by the state board shall receive community education aid in an amount equal to the difference obtained by subtracting
- (a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from
 - (b) the greater of
 - (i) \$7,000, or
 - (ii) \$5 times the population of the district.
- (2) However, for any district which certifies less than the maximum permissible levy under the provisions of section 275.125, subdivision 8, clause (4), the district's community education aid under clause (1) of this subdivision shall be reduced by multiplying the aid amount computed pursuant to clause (1) of this subdivision by the ratio of the district's actual levy under section 275.125, subdivision 8, clause (4), to its maximum permissible levy under section 275.125, subdivision 8, clause (4). For purposes of computing the aid reduction pursuant to this clause, the amount certified pursuant to section 275.125, subdivision 8, clause (4), shall not reflect reductions made pursuant to section 275.125, subdivision 9.
- (3) In addition to the amount in clause (1), in fiscal year 1985 and each fiscal year thereafter a district which makes a levy for community education

programs pursuant to section 275.125, subdivision 8, shall receive additional aid of 50 cents per capita.

- Sec. 6. Minnesota Statutes 1983 Supplement, section 125.032, subdivision 2, is amended to read:
- Subd. 2. [EXCEPTIONS.] A person who teaches in a community education program which qualifies for aid pursuant to section 124.26 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for per capita aid pursuant to section 124.271 or section 3 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the board of teaching. A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 125.12, subdivision 1, or section 125.17, subdivision 1, clause (a). A community education instructor shall not be defined as a teacher pursuant to section 179.63, subdivision 13, or be a member of a teacher bargaining unit solely as a result of that individual's employment in a community education program.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 8a, is amended to read:
- Subd. 8a. [INTERDISTRICT COOPERATION LEVY.] Each year, a district which is eligible for aid pursuant to section 124.272, subdivision 2, may levy the amount of the estimated instructional costs of the interdistrict cooperation plan for the year to which the levy is attributable, but not more than the levy shall not exceed the lesser of: (1) \$50 times the actual pupil units for that school year. No levy under this subdivision shall exceed; (2) \$50,000; or (3) one mill times the adjusted assessed valuation of the district for the preceding year. The proceeds of the levy may only be used to pay for instructional costs incurred in providing the program offerings resulting from the cooperation plan.
- Sec. 8. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:
- Subd. 8b. [EARLY CHILDHOOD AND FAMILY EDUCATION LEVY.] A district may levy for its early childhood and family education program. The amount shall not exceed the lesser of
- (a) .4 mill times the adjusted assessed valuation of the district for the year preceding the year the levy is certified, or
- (b) the maximum revenue as defined in section 3, subdivision 1, for the school year for which the levy is attributable.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 9b, is amended to read:
- Subd. 9b. [OPERATING DEBT LEVY.] (1) In 1983 and Each year thereafter, a district may make an additional levy to eliminate a deficit in the net

unappropriated operating funds of the district, determined as of June 30, 1983, and certified and adjusted by the commissioner. This levy may in each year be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. However, the total amount of this levy for all years it is made shall not exceed the lesser of (a) the amount of the deficit in the net unappropriated operating funds of the district as of June 30, 1983, or (b) the amount of the aid reduction, according to Laws 1981, Third Special Session chapter 2, article 2, section 2, but excluding clauses (l), (m), (n), (o), and (p), and Laws 1982, Third Special Session chapter 1, article 3, sections section 6 and 7, to the district in fiscal year 1983. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

- (2) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.
- (3) Any district which levies pursuant to this subdivision shall certify the maximum levy allowable under section 271.125, subdivision 2a or 2e in that same year.
- Sec. 10. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11c, is amended to read:
- Subd. 11c. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE LEVY.] In 1983 and each year thereafter, in addition to the levy authorized in subdivisions 11a and 11b, a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for expenditures necessary for the removal or encapsulation of asbestos, asbestos related repairs, or the cleanup and disposal of polychlorinated biphenyls found in school buildings or property.
- Sec. 11. Laws 1983, chapter 314, article 6, section 34, subdivision 12, is amended to read:
- Subd. 12. [INDIAN EDUCATION.] (a) For certain Indian education programs there is appropriated:

\$156,000.....1984,

\$138,000.....1985.

The appropriations are based on aid entitlements of \$156,000 for fiscal year 1984 and \$163,000 for fiscal year 1985.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts may be distributed to the following school

districts for fiscal year 1984: \$49,600 \$48,972 to Independent School District No. 309-Pine Point School; \$8,750 \$8,639 to Independent School District No. 166; \$13,500 \$13,329 to Independent School District No. 432; \$12,700 \$12,539 to Independent School District No. 435; \$38,100 \$37,618 to Independent School District No. 707; and \$35,350 \$34,903 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

Up to the following amounts may be distributed to the following school districts for fiscal year 1985: \$52,100 \$50,955 to Independent School District No. 309-Pine Point School; \$9,200 \$8,998 to Independent School District No. 166; \$14,200 \$13,888 to Independent School District No. 432; \$13,350 \$13,056 to Independent School District No. 435; \$40,050 \$39,170 to Independent School District No. 707; and \$37,100 \$36,285 to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements. These allocations are based on 100 percent of the entitlement for fiscal year 1985, 85 percent of which is appropriated for payment in fiscal year 1985.

These appropriations are available only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

- (b) Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:
- (i) Complied with the Uniform Financial Accounting and Reporting Standards Act, sections 121.90 to 121.917. For each school year, compliance with section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivision and one budget which does not include these moneys. The budget of that school district for the 1985-86 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1984-1985 budgets and shall not include any moneys appropriated in this subdivision;
- (ii) Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and
 - (iii) Compiled accurate daily pupil attendance records.
- (c) Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.
 - Sec. 12. ISTATUTORY OPERATING DEBT LEVY INTO GENERAL

FUND.]

Notwithstanding Minnesota Statutes 1982, section 275.125, subdivision 9a, and any other law to the contrary, a school district located in a city of the first class, except Independent School District No. 625, may place the proceeds of the 1983 payable 1984 levy authorized by Minnesota Statutes 1982, section 275.125, subdivision 9a, in the general fund. This authority shall not be construed to modify a district's obligation to eliminate its statutory operating debt.

Sec. 13. [REPORT.]

The department of education shall submit an interim report to the legislature evaluating the education district program by March 1, 1985.

Sec. 14. [EARLY CHILDHOOD AND FAMILY EDUCATION AID FOR FISCAL YEAR 1985.]

Each district that provided an early childhood and family education program funded by the council on quality education during the 1982-1983 school year is entitled to receive aid in fiscal year 1985 to continue the program. The aid shall be in addition to community education aid. The aid shall equal (a) \$11,000, minus (b) the amount of aid received pursuant to Minnesota Statutes 1983 Supplement, section 124.271, subdivision 2b, clause (3). However, a district that has not established a community education program shall receive no aid under this section.

Sec. 15. [REPEALER.]

Minnesota Statutes 1982, sections 129B.06; 129B.07; 129B.08; and 129B.09, as amended by Laws 1983, chapters 260, section 29, and 314, articles 6, section 33, and 9, sections 8 and 9, are repealed.

Sec. 16. [APPROPRIATION FOR ABATEMENT AID DEFICIENCY.]

The appropriation for abatement aid for fiscal year 1984 according to Laws 1983, article 6, section 34, subdivision 3, is increased by \$1,000,000 to \$3,150,000 to prevent a deficiency.

Sec. 17. [APPROPRIATION.]

Subdivision 1. [EDUCATION DISTRICTS.] There is appropriated from the general fund to the department of education the sum of \$100,000 for aid for education districts. The sum shall be available until June 30, 1985.

Subd. 2. [EARLY CHILDHOOD AND FAMILY EDUCATION.] There is appropriated from the general fund to the department of education for fiscal year 1985 the sum of \$102,370. Of this sum \$87,370 is for aid to districts for fiscal year 1985 according to section 14. The aid shall be paid at 100 percent of the entitlement for fiscal year 1985. The remaining \$15,000 is for the department of education for personnel service contracts to provide assistance to districts.

Sec. 18. [EFFECTIVE DATE.]

Section 6 is effective the day following final enactment. Sections 1, 2, 4, and 14 are effective July 1, 1985.

MISCELLANEOUS

Section 1. Minnesota Statutes 1983 Supplement, section 121.15, subdivision 1, is amended to read:

Subdivision 1. [CONSULTATION.] A school district shall consult with the department of education before developing any plans and specifications to construct, remodel, or improve the building or site of an educational facility, other than an area vocational-technical institute. This consultation shall occur before a referendum for bonds, solicitation for bids, or use of capital funds according to section 275.125, subdivision 11a, clause (c), is initiated.

- Sec. 2. Minnesota Statutes 1982, section 121.908, is amended by adding a subdivison to read:
- Subd. 6. A school district providing early retirement incentive payments under section 125.611, severance pay under section 465.72, or health insurance benefits to retired employees under section 471.61, must account for the payments according to uniform financial accounting and reporting standards adopted for Minnesota school districts pursuant to section 121.902.
- Sec. 3. Minnesota Statutes 1982, section 123.36, subdivision 10, is amended to read:
- Subd. 10. (a) The board may lease a schoolhouse which that is not needed for school purposes to any person or organization. The board may charge and collect reasonable consideration for the lease and may determine the terms and conditions of the lease.
- (b) In districts with outstanding bonds, the net proceeds of the lease shall be first deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for all outstanding bonds that is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property that is leased. Any remaining net proceeds in these districts may be deposited in either the debt redemption fund or capital expenditure fund. and All net proceeds of the lease in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.
- (c) The board may make capital improvements to a schoolhouse or a portion thereof, not exceeding in cost the replacement value of the schoolhouse, to facilitate its rental, and the lease of an improved schoolhouse shall provide for rentals which will recover the cost of the improvements over the initial term of the lease. Notwithstanding clause (b), the portion of the rentals representing the cost of the improvements shall be deposited in the capital expenditure fund of the district and the balance of the rentals shall be used as provided in clause (b).
- Sec. 4. Minnesota Statutes 1983 Supplement, section 123.36, subdivision 13, is amended to read:
- Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.
- (1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount

sufficient to meet when due that percentage of the principal and interest payments for outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

- (2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:
- (a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;
- (b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;
- (c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;
- (d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation, if the method for asbestos removal or encapsulation is approved by the department of education;
- (e) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;
- (f) for capital expenditures to renovate and improve for the betterment, as defined in section 475.51, subdivision 8, of district-owned school buildings in which enrollment has increased as a result of closing schools in the district, other than as provided in clauses (b), (c), and (d); or
 - (g) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a), (b), (c), (d), and (e) shall be deducted from the levy limitation computed for the levy authorized in section 275.125, subdivision subdivisions 11b and 11c, as applicable, in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

- (3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.
- (4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.
- (5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the per-

centage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

- (6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time he prescribes on the disposition of the proceeds of the sale or exchange.
- Sec. 5. Minnesota Statutes 1982, section 124.214, subdivision 1, is amended to read:

Subdivision 1. [OMISSIONS.] No adjustments to any aid payments made pursuant to this chapter, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 45 30 of the next school year, unless otherwise specifically provided by law.

- Sec. 6. Minnesota Statutes 1982, section 125.12, subdivision 2, is amended to read:
- Subd. 2. [HIRING, DISMISSING.] School boards shall hire or dismiss teachers at duly called meetings. Where a husband and wife, brother and sister, or two brothers or sisters, constitute a quorum, no contract employing a teacher shall be made or authorized except upon the unanimous vote of the full board. No teacher related by blood or marriage, within the fourth degree, computed by the civil law, to a board member shall be employed except by a unanimous vote of the full board. The initial employment of the teacher in the district shall be by written contract, signed by the teacher and by the chairman and clerk. All subsequent employment of the teacher in the district shall be by written contract, signed by the teacher and by the chairman and clerk, except where there is a master agreement covering the employment of the teacher. Contracts for teaching or supervision of teaching can be made only with qualified teachers. No teacher shall be required to reside within the employing school district as a condition to teaching employment or continued teaching employment. Notwithstanding the provisions of subdivision 6b, a teacher who does not already occupy an administrative or supervisory position does not have a right to employment in a supervisory or administrative position in a district based on seniority, seniority date, or order of employment by the district.
- Sec. 7. Minnesota Statutes 1982, section 125.12, subdivision 3, is amended to read:
- Subd. 3. [PROBATIONARY PERIOD.] The first and second three consecutive years of a teacher's first teaching experience in Minnesota in a single school district shall be deemed to be a probationary period of employment, and after completion thereof, the probationary period in each school district in which he the teacher is thereafter employed shall be one year. A teacher who has complied with the then applicable probationary requirements in a school district prior to July 1, 1967, shall not be required to serve a new probationary period in the said district subsequent thereto. A school board shall adopt a plan for written evaluation of teachers during the probationary period. Evaluation shall occur not less than three times each year. During the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit; provided, however, that the school board shall give any such teacher whose contract it declines to renew for the

following school year written notice to that effect before June 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the school board shall give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during his the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 123.35, subdivision 5.

- Sec. 8. Minnesota Statutes 1982, section 125.185, subdivision 4, is amended to read:
- Subd. 4. The board shall develop and create rules for the licensure of public school teachers and interns, and from time to time the board of teaching it shall revise or supplement the rules for licensure of public school teachers subject to the provisions of chapter 14. It shall be the duty of the board of teaching to establish rules for the approval of teacher education programs; provided these rules shall encourage teacher educators to obtain periodic classroom teaching experience. The board of teaching shall also grant licenses to interns and to candidates for original licenses and receive recommendations from local committees as established by the board of teaching for the renewal of teaching licenses, grant life licenses to those who qualify according to requirements established by the board of teaching, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. Notwithstanding any law or rule to the contrary, the board shall not establish any expiration date for application for life licenses. With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board for vocational of education and the state board of vocationaltechnical education.

Sec. 9. [126.60] [CREDIT FOR ADVANCED MATHEMATICS.]

A pupil who successfully completes a class of the high school portion of the University of Minnesota talented youth mathematics project shall be awarded credit by the school district. Successful completion of each class shall be contained in the pupil's secondary school records.

Sec. 10. Minnesota Statutes 1982, section 465.721, is amended to read:

465.721 [FUNDING.]

No county, city, township, school district or other governmental subdivision shall implement a plan for payment of severance pay pursuant to section 465.72 until a plan providing for full funding has been developed and approved by the governing body. This section does not apply to school districts.

- Sec. 11. Laws 1976, chapter 20, section 5, subdivision 1, is amended to read:
- Sec. 5. [RESERVE FUND FOR REDUCING STATUTORY OPERAT-ING DEBT.] Subdivision 1. The district shall establish a special reserve account, which shall be designated "reserve account for purposes of reducing statutory operating debt" on its books and records into which the proceeds of the bonds authorized in section 1 and the levies made under section 4 shall be placed. The funds in this account shall be used only for the payment

of district operating expenses, but the amount in this account shall never supplement district revenues or income for the purposes of increasing the district's capital or operational expenditures or budgets, or for any purpose, other than to meet temporary cash needs. Earnings on sums in this account may be used for paying interest expenses on tax and aid anticipation certificates and for the purposes for which funds in this account may be used. Earnings on sums in this account after June 30, 1984, may be withdrawn from the account and placed in the general fund. The funds in this account may be invested and reinvested in accordance with the further provisions of Minnesota Statutes, Section 475.66, as amended.

Sec. 12. Laws 1983, chapter 314, article 8, section 23, is amended to read:

Sec. 23. [RULEMAKING ON CURRICULUM.]

Subdivision 1. [SECONDARY CURRICULUM.] By September + 30, 1984, the state board of education shall adopt rules pursuant to chapter 14, establishing elementary and secondary curriculum requirements which will ensure that a minimum comprehensive educational program is available to all public secondary school students in the state. The secondary curriculum rules adopted by the state board shall be effective beginning in the 1985-1986 school year.

- Subd. 2. [ELEMENTARY CURRICULUM.] By September 1, 1985, the state board of education shall adopt rules pursuant to chapter 14, establishing elementary curriculum requirements that will ensure that a minimum comprehensive educational program is available to all public elementary school students in the state. The elementary curriculum rules adopted by the state board shall be effective beginning in the 1986-1987 school year.
- Subd. 3. [PROGRESS REPORT.] By March 31, 1985, the state board of education shall report to the education committees of the legislature about its progress toward adoption of elementary curriculum rules.
 - Subd. 4. [REPEALER.] This section is repealed on December 31, 1986.

Sec. 13. [VARIANCE FROM DESEGREGATION STANDARDS.]

Subdivision 1. [RULE CHANGE.] The rules of the state board of education governing the variance from the comprehensive school desegregation plan submitted by a school board to the commissioner of education shall be as follows:

The 15 percentage points requirement of Minnesota Rules, part 3535.0200, subpart 4 shall be used as the standard for local school boards in the process of developing plans to remove racial segregation in the district.

Notwithstanding the 15 percentage points standard, the commissioner shall, if the local board can justify an educational reason for a variance to the state board from the comprehensive school desegregation plan submitted, approve school desegregation plans that vary from the standard, except the variance may not cause the minority composition of the pupils in any school building to exceed the minority racial composition of the entire district, for the grade levels served by that school building, by more than 30 percent.

An educational reason shall include the effect on bicultural and bilingual programs, making magnet schools available to minorities, effectiveness of

school pairing programs, and other educational programs that should result in a better education for the children involved. In determining whether the educational reason put forth by the district justifies the variance, the state board shall determine whether other alternatives are educationally and economically available to the district such that the variance is not needed.

- Subd. 2. [NONAPPLICATION OF CHAPTER 14.] The provisions of chapter 14 shall not apply to subdivision 1.
- Subd. 3. [REVISOR INSTRUCTIONS.] The revisor of statutes shall change the provisions of Minnesota Rules, parts 3535.0700 to 3535.1700 to agree with subdivision 1.

Sec. 14. [TASK FORCE ON SCHOOL BUS SAFETY.]

Subdivision 1. [ESTABLISHMENT.] A task force on school bus safety is established. The task force shall consist of up to 13 members appointed by the commissioner of education. The commissioner shall appoint at least one member from the Minnesota safety council and one member from the department of public safety. The commissioner shall also appoint at least one school administrator and a person to represent parents with children who regularly ride the school bus. The task force shall terminate by June 30, 1985.

- Subd. 2. [DUTIES.] The task force shall study school bus safety. The study shall include at least the following issues:
- (1) equipment and other safety features of school bus design, including seat belts, surface padding, and compartmentalization;
- (2) proposals for mandatory installation and use of seat belts in school buses;
- (3) relative population of school buses which are and are not subject to federal requirements for safety features;
- (4) qualifications, training, examination, and licensing of school bus drivers;
 - (5) adequacy of school bus maintenance;
 - (6) current requirements and practices about school bus hauling distances;
 - (7) safety aspects of school bus pickup points; and
- (8) instruction given to school children about safe boarding and departing procedures.
- Subd. 3. [EXPENSES.] The compensation of task force members, removal, and vacancies shall be as provided in section 15.059, subdivisions 3 and 4.
- Subd. 4. [REPORT.] The task force shall report its findings and recommendations to the commissioner of education and the education committees of the legislature by December 1, 1984.

Sec. 15. [RETROACTIVE CREDITS.]

Credits shall be awarded for and pupil records shall contain classes completed at the University of Minnesota talented youth mathematics project

during the 1980-1981, 1981-1982, 1982-1983, and 1983-1984 school years.

Sec. 16. [APPLICABILITY OF THREE YEAR PROBATION.]

A teacher who has completed one year of the first teaching experience in Minnesota in a single school district on June 30, 1984, shall not be required to have a probationary period of three years.

Sec. 17. [INDEPENDENT SCHOOL DISTRICT NO. 271; SALE OF BUILDING.]

Subdivision 1. [BUILDING EXCHANGE FOR CASH, PRODUCTS, AND SERVICES.] Notwithstanding Minnesota Statutes, sections 123.36, subdivision 13, 123.37, and 471.345, or any other law to the contrary, Independent School District No. 271, Bloomington, may sell a school building to a purchaser for cash, products, and services provided by the purchaser. Cash received from the purchaser shall first be placed in the debt retirement fund in compliance with Minnesota Statutes, section 123.36, subdivision 13, clause (1). Additional cash, if any, may be placed in the general fund. Products and services may be provided for a period of time not to exceed five years according to contractual terms. The products and services shall consist of at least computer hardware, software, training, and related services as needed by the district.

- Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.
- Sec. 18. [INDEPENDENT SCHOOL DISTRICT NO. 284; SALE OF BUILDINGS.]

Subdivision 1. Notwithstanding Minnesota Statutes, section 123.36, subdivision 13, or any other law to the contrary, Independent School District No. 284, Wayzata, may deposit the excess proceeds from the sale of any building owned by the district that is sold before January 1, 1986 into the general fund after complying with the provisions of Minnesota Statutes, section 123.36, subdivision 13, clause (1).

- Subd. 2. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.
- Sec. 19. [INDEPENDENT SCHOOL DISTRICT NOS. 524 and 525; SPECIAL CONSOLIDATION PROVISIONS.]

Subdivision 1. [SCHOOL DISTRICT NOS. 524 and 525; CONSOLIDATION PROVISIONS.] Independent School District No. 524, Halstad, and Independent School District No. 525, Hendrum, as part of an agreement to consolidate according to section 122.23 or any other law, may agree to any of the following:

- (a) election districts of the size and with the population desired by the consolidating districts; and
- (b) election of school board members in any manner agreed upon, such as at large from a previously existing district or from the newly consolidated district, some members at large, some members from election districts or some members from previously existing districts.

Election districts created pursuant to this agreement may be changed or altered in the manner provided in section 123.32, subdivision 15. To the extent the provisions of section 122.23, or any other applicable law are inconsistent with this section, the provisions of this section shall apply.

- Subd. 2. [EFFECTIVE DATE.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval on the day following final enactment.
- Sec. 20. [OPERATING DEBT LEVY FOR BUHL AND MOUNTAIN IRON CONSOLIDATION.]
- Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed 1.5 mills times the adjusted assessed valuation of the newly created district for the preceding year as determined by the equalization aid review committee.
- Subd. 2. [USE OF PROCEEDS.] The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.
- Subd. 3. [CONDITION OF LEVY AUTHORITY.] In any year in which the newly created district levies pursuant to this subdivision, it shall certify the maximum levy allowable under section 275.125, subdivision 2a, in that same year.
- Subd. 4. [EFFECTIVE DATE AND NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), this section is effective without local approval the day following final enactment.

Sec. 21. [FUND TRANSFER AUTHORIZATION.]

- Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 4.] Notwithstanding any law to the contrary, for the school year 1984-1985 Independent School District No. 4, McGregor, may permanently transfer an amount not to exceed \$800,000 from the general fund to the capital expenditure fund for the purpose of fire safety and energy conservation expenditures and school building betterment.
- Subd. 2. [NO LOCAL APPROVAL.] Pursuant to section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.
 - Sec. 22. [FUND TRANSFER AUTHORIZATION.]
- Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 147.] Notwithstanding any law to the contrary, Independent School District No. 147, Dilworth, is authorized to permanently transfer to its general fund from its capital expenditure fund an amount not to exceed \$60,000.
- Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 147 with

Minnesota Statutes, section 645.021, subdivision 3.

Sec. 23. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 319.] Notwithstanding any law to the contrary, Independent School District No. 319, Nashwauk-Keewatin, is authorized to permanently transfer an amount not to exceed \$75,000 from the pupil transportation fund balance account entitled "appropriated for bus purchases" to the general fund unappropriated fund balance account for the purpose of reducing the school district's operating debt on or before June 30, 1984.

Subd. 2. [NO LOCAL APPROVAL.] Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), subdivision 1 is effective without local approval the day following final enactment.

Sec. 24. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 464.] Independent School District No. 464, Grove City, may permanently transfer \$80,000 from the capital outlay fund to the general fund.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 464, Grove City, with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 25. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 573.] Notwithstanding any law to the contrary, by June 30, 1984, Independent School District No. 573, Hinckley, may permanently transfer up to \$900,000 from its general fund to its capital expenditure fund to provide partial funding for energy conservation, computer and other technological expansion, for facilities for a computer networking system, and to remodel and construct an addition to the elementary school.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 573 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 26. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [SCHOOL DISTRICT NO. 627; FUND TRANSFER.] Independent School District No. 627 may permanently transfer \$50,000 from the bus purchase account of the pupil transportation fund to the general fund for the 1984-1985 school year.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 627 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 27. [FUND TRANSFER AUTHORIZATION.]

Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 726.] Notwithstanding the provisions of Minnesota Statutes, section 121.912, in fiscal year 1984, Independent School District No. 726, Becker, is authorized to permanently transfer the sum of \$100,000 from the general fund of the district to the capital expenditure fund of the district to eliminate a deficit in the capital expenditure fund.

Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 726 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 28. [FUND TRANSFER AUTHORIZATION.]

- Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 852.] Independent School District No. 852, Campbell-Tintah, is authorized to make a permanent transfer of interest income from the capital expenditure fund to the general fund before July 1, 1984, and again, before July 1, 1985.
- Subd 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after compliance by the school board of Independent School District No. 852 with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 29. [FUND TRANSFER AUTHORIZATION.]

- Subdivision 1. [INDEPENDENT SCHOOL DISTRICT NO. 460.] Notwithstanding Minnesota Statutes, section 475.61, subdivision 4, or any other law to the contrary, by June 30, 1984, Independent School District No. 460, Granada-Huntley, may transfer to its general fund the amount of any surplus remaining in its debt service fund when the obligations and interest thereon for the Granada school building are paid.
- Subd. 2. [LOCAL APPROVAL.] Subdivision 1 is effective the day after the school board of Independent School District No. 460 complies with Minnesota Statutes, section 645.021, subdivision 3.

Sec. 30. [BARGAINING IMPASSE RESOLUTION TASK FORCE.]

Subdivision 1. There is created a bargaining impasse resolution task force whose purpose shall be to study collective bargaining as it relates to public schools.

- Subd. 2. The task force shall consist of 11 members as follows: two members of the senate appointed by the subcommittee on committees of the committee on rules and administration; two members of the house of representatives appointed by the speaker of the house; the director of the bureau of mediation services or a designee; and six members appointed by the governor. The six appointees of the governor shall be a school board member, a teacher, and four members of the general public. The task force shall elect a chair from its membership. The task force shall terminate on June 30, 1985.
- Subd. 3. By December 1, 1984, the task force shall submit to the legislative commission on employee relations its report and recommendations on the impasse resolution policies under Minnesota Statutes, sections 179.61 to 179.76 relating to public schools. The task force shall study:
- (1) existing provisions of state law relating to negotiations, mediation, and impasse resolution;
- (2) attitudes of public employers and employees and the public on current collective bargaining laws relating to public schools;
 - (3) collective bargaining laws in other states relating to public schools;
 - (4) changes in statutory timelines and the right to strike; and
 - (5) collective bargaining rights and procedures relating to principals and

assistant principals.

Subd. 4. The legislative commission on employee relations shall provide staff for the task force. Members who are legislators shall be compensated in the same manner as other legislative meetings. The compensation of public members shall be governed by section 15.059.

Sec. 31. [REPEALER.]

Section 16 is repealed on June 30, 1985.

Sec. 32. [APPROPRIATION.]

- Subdivision 1. [NETT LAKE.] The sum of \$20,000 is appropriated from the general fund to the department of education to pay the obligation of Independent School District No. 707, Nett Lake, for unemployment compensation. The sum shall be available until June 30, 1985.
- Subd. 2. [BARGAINING IMPASSE STUDY.] The sum of \$10,000 is appropriated from the general fund to the legislative commission on employee relations for the bargaining impasse resolution task force. The sum shall be available until June 30, 1985.
- Subd. 3. [BUS SAFETY TASK FORCE.] The sum of \$5,000 is appropriated from the general fund to the department of education for the task force on school bus safety. The sum is available until June 30, 1985.

Sec. 33. [EFFECTIVE DATES.]

Sections 6, 14, and 32, subdivision 3, are effective the day following final enactment. Sections 2 and 10 are effective June 30, 1984.

ARTICLE 8

TECHNOLOGY AND EDUCATIONAL IMPROVEMENT

Section 1. [121.4951] [INDIVIDUAL EVALUATIONS AND REPORT-ING.]

Subdivision 1. [INTENT] It is the intention of the legislature that evaluation procedures required by this section measure the progress of each pupil rather than measuring a pupil's performance relative to the pupil's classmates.

- Subd. 2. [ADOPTION OF EVALUATION PROCEDURES.] Each school board shall adopt procedures for evaluating individual pupil progress in the areas of reading, writing, and mathematics. The board may designate additional curriculum areas in which pupil progress shall be evaluated.
- Subd. 3. [SCHEDULE.] Individual pupil progress shall be evaluated in at least three grades prior to the tenth grade.
- Subd. 4. [DIFFERENTIAL EVALUATION PROCEDURES.] The school board may adopt differential evaluation procedures for pupils who are handicapped, as defined in section 120.03, or for pupils of limited English proficiency, as defined in section 126.262, subdivision 2.

This subdivision shall not be construed to require differential evaluation procedures when the special education team, or equivalent professionals working with a pupil of limited English proficiency, determines the pupil can

be fairly assessed by the regular evaluation program with appropriate and available educational services and support.

- Subd. 5. [MATERIALS.] Evaluation instruments need not be limited to written examinations but must be in a form which, in the board's judgment, will allow persons outside of the classroom to assess the pupil's achievement.
- Subd. 6. [EVALUATION RESULTS.] The district shall notify each pupil's parent of the pupil's evaluation results in a form prescribed by the board.

A pupil's parent may request and shall be granted a conference to discuss the results of the evaluation and recommended actions to further the pupil's progress within available resources.

- Subd. 7. [TIMELINE.] The evaluation procedures required by this section shall be adopted by June 30, 1986. Subdivision 3 shall be effective beginning in the 1986-1987 school year.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 121.601, is amended to read:
- Subdivision 1. [ESTABLISHMENT.] The department commissioner of education shall establish maintain a program for providing in-service training to school district staff. During the first year, the program shall provide in service training to elementary and secondary staff in mathematics, science, and social science. For Each succeeding year of the program, the commissioner shall recommend to the legislature subject areas for which in-service training programs shall be provided. In-service training programs shall be designed to emphasize the academic content of the subject area. They shall also offer a broad spectrum of experiences, including activities which require active participant involvement rather than classroom lectures. To the extent possible, the in-service training programs shall be integrated with the technology in-service training provided according to sections 129B.34 and 129B.35.
- Subd. 2. [NEED ASSESSMENT AND PLANNING GRANTS.] The commissioner shall determine the needs of pupils for a subject area, using the statewide assessment program, before making subject area recommendations to the legislature. The commissioner shall consult with teachers of the subject area to determine the needs of teachers.
- Subd. 3. [INITIAL PROPOSALS AND PLANNING GRANTS.] The commissioner shall request initial proposals from eligible organizations and institutions. After reviewing the initial proposals, the commissioner may award up to 20 grants to develop proposals for final selection.
- Subd. 2 4. [FINAL PROPOSALS.] Grant Final proposals submitted by eligible applicants to the department shall include at least the following:
- (a) a variety of staff education activities which are designed to assess and upgrade skills the subject matter knowledge of those attending the training programs;
- (b) provisions for addressing the requirements for licensure for those staff who currently are not licensed in the designated areas but who desire to be so

licensed;

- (c) a plan for staff who participate in the training program to return to their school districts and provide training programs or disseminate information on in-service programs to other staff in their districts and regions;
- (d) a process for notifying staff in the state who teach in the designated subject areas and who are eligible for the program, a process for selecting staff to participate in the in-service training program, and a mechanism for evaluation to be provided to the state board upon completion of the program;
- (e) an estimated budget for the program, which shall provide for tuition expenses, related expenses including meals and lodging, and a stipend for participants in the program; and
 - (f) other information that may be requested by the department.
- Subd. 3 5. [ELIGIBLE APPLICANTS.] The department commissioner may allocate money award grants to public or nonpublic institutions of higher education, public or private nonprofit organizations, educational cooperative service units, or school districts for the purpose of providing in service training according to this section. When approving or disapproving awarding grants, the department commissioner shall ensure geographic accessibility of the programs to teachers throughout the state and a balance of programs available in different subject areas.
- Subd. 4 6. [CONSULTATION.] When making grants for the in-service training programs according to this section reviewing initial and final proposals, the department commissioner shall consult with elementary and secondary staff in the designated subject areas to ensure that proposals submitted incorporate recent research findings and address the retraining needs of staff in those subject areas.
- Subd. 5 7. [PRIVATE ADDITIONAL MONEY.] The commissioner of education may accept contributions from additional private or public sources to supplement state money provided by this section. These contributions shall be added to the total amount of available state money and shall be administered by the department in the same manner as state money.
- Subd. 6. [FEDERAL MONEY.] The commissioner of education shall apply for and accept all federal money available for in-service training programs in the designated subject areas.
- Subd. 7 8. [APPLICATION DATES.] Applications for in service training programs to be conducted during a school year shall be submitted to the department by January 15 preceding the beginning of that school year. The commissioner shall determine the dates by which initial and final proposals are to be submitted. The department commissioner shall approve or disapprove applications award grants each year by the following March 1.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 121.608, is amended to read:

121.608 [INSTRUCTIONAL EFFECTIVENESS PLAN.]

By January 1, 1984, The commissioner of education shall develop a comprehensive statewide plan for maintaining and improving instructional effectiveness in the schools. The plan shall encourage implementation of

school effectiveness strategies based on research findings in the area, develop inservice training models for school district staff, integrate developments in educational technology with classroom instruction models, and develop a mechanism for establishing a statewide network to coordinate and disseminate information on research in instructional effectiveness. The commissioner may employ consultants and specialists to assist in the development of the plan, and, to the extent possible, shall utilize the information provided by the planning, evaluation, and reporting process and the statewide assessment program. The plan shall be revised as necessary.

Sec. 4. Minnesota Statutes 1983 Supplement, section 121.609, is amended to read:

121.609 [INSTRUCTIONAL EFFECTIVENESS TRAINING.]

Subdivision 1. [ADVISORY TASK FORCE; PROGRAM MODEL.] By January 1, 1984, The commissioner of education shall appoint an advisory task force to assist the department of education, in cooperation with the educational cooperative service units, in developing an implementation model for training school district staff in instructional effectiveness. The training program model shall be based on established principles of instructional design and the essential elements of effective instruction as determined by educational research. The training program model shall take into account the diverse needs of the school districts due to such factors as district size and location, and shall be structured to facilitate regional delivery of the training through the educational cooperative service units.

- Subd. 2. [PILOT TESTING OF TRAINING MODEL.] Between January 1, 1984, and January 4 June 30, 1985, the commissioner shall administer a pilot program of the instructional effectiveness training models which shall be implemented in at least 20 pilot sites throughout the state. The advisory task force established in subdivision 1 of this section may recommend modifications in the training models as necessary.
- Subd. 3. [EVALUATION AND REPORT.] The commissioner shall pay an independent evaluator to conduct an evaluation of the effectiveness of this section. The evaluator shall submit a report A preliminary evaluation, including a sample survey of district personnel trained at the pilot sites, to the commissioner shall be completed by January 1, 1985.

The commissioner, with the assistance of the advisory task force, shall develop a long-term evaluation instrument for use at the pilot sites and other districts utilizing the instructional effectiveness models. The long-term evaluation instrument shall include a method for measuring student achievement.

Subd. 4. [REGIONAL SERVICES.] The department shall contract with educational cooperative service units or other regional educational service agencies to provide assistance to the school districts in an educational cooperative service unit region in implementing instructional effectiveness models. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating school districts and the extent to which the proposal provides for participation by school district staff. If more than one agency submits a proposal to provide services to school districts within an educational coop-

erative service unit region, the department shall encourage the agencies to develop a joint proposal.

Subd. 5. [INSTRUCTIONAL EFFECTIVENESS TRAINING.] Utilizing the statewide plan developed pursuant to section 121.608 and the regional support services authorized in subdivision 4, the department of education shall provide instructional effectiveness training for school district staff. The training shall be provided by building level leadership teams, as defined in the statewide plan developed pursuant to section 121.608. The training shall include clarification of individual school goals and expectations, enhancement of collaborative planning and collegial relationships among the building staff, improvement of instructional skills and instructional climate of the school, and planning of staff development programs.

Sec. 5. [121.615] [MATH AND SCIENCE SUMMER INSTITUTES; ESTABLISHMENT.]

Beginning with the summer of 1985, the department shall establish three summer institutes at post-secondary institutions for secondary students who are outstanding in the areas of mathematics and science. The institutes shall be planned, operated, and staffed by faculty from the post-secondary institutions which are selected to be sites for the institutes. The curriculum development section of the department of education shall select the institutes on the basis of the proposals submitted pursuant to section 5.

Sec. 6. [121.616] [PROGRAM PROPOSALS; CRITERIA; STUDENT SELECTION.]

Subdivision 1. [PROGRAM APPLICATION PROCESS.] Any post-secondary institution may submit a proposal by October 1, 1984, to the commissioner to establish a four- to five-week summer program in either science, mathematics, or a combination of the two disciplines. By December 1, 1984, the commissioner of education shall approve three of the proposals and shall allocate the money to the approved institutions by January 1, 1985. No more than one summer institute shall be approved for any one post-secondary institution.

- Subd. 2. [CRITERIA FOR APPROVAL.] Each proposal submitted to the commissioner for approval pursuant to subdivision 1 shall include at least the following:
 - (a) a description of the four- to five-week program;
 - (b) a variety of courses at different academic levels in the discipline;
 - (c) an opportunity for computer applications;
 - (d) an interdisciplinary approach to various fields within the discipline;
- (e) a description of the faculty and director from the post-secondary institution who will staff the institute; and
 - (f) a process for selection of students, as specified in subdivision 3.
- Subd. 3. [STUDENT SELECTION.] Each of the post-secondary institutions approved pursuant to subdivision 2 shall develop a procedure for selecting students to participate. The criteria for selection shall include testing results, teacher recommendations, student's grades in the relevant areas, and

any other criteria deemed appropriate by the post-secondary institution. Students shall be eligible to attend the summer institutes if they have completed at least the eighth grade but have not graduated from high school at the time of attending the institute. At least 20 students shall be selected to participate at each institute.

- Subd. 4. [STUDENT RECORDS.] The student's participation in the institute shall be included as part of the student's high school records and high school credit shall be awarded for participation.
- Subd. 5. [DISSEMINATION OF APPLICATION INFORMATION.] The department and the institutions offering the summer institutes shall cooperate in developing procedures for providing information about the summer institutes. The department of education shall disseminate information to all school districts and every nonpublic secondary school in the state. The department shall assure that application materials shall be available to all qualified students.

Sec. 7. [121.617] [FUNDING.]

Subdivision 1. [AUTHORIZED USES.] State aid for the summer institutes may be used for staffing costs, program materials, equipment, supplies, and other instructional costs of the program. The aid may also be used for student housing and meal costs. Transportation to and from the summer institutes shall be paid for by the students.

- Subd. 2. [ADDITIONAL FUNDING.] The department and the selected post-secondary institutions may seek additional funding from other public or private sources to supplement state aid.
 - Sec. 8. Minnesota Statutes 1982, section 123.74, is amended to read:

123.74 [FINDINGS.]

The legislature finds that a process for curriculum evaluation and planning is needed for continued improvement of the educational program for all public school children in the state, and to allow for better evaluation of educational programs by local communities. The legislature further finds that such a process is needed to facilitate decisions by school boards and communities as to which services can best be provided by the public schools and which services can or should be provided by other institutions such as the family, the private sector or other public agencies. The legislature further finds that efficient use of educational resources is needed with regard to educational technology and interdistrict cooperation.

Sec. 9. Minnesota Statutes 1982, section 123.741, as amended by Laws 1983, chapter 314, article 8, section 9, is amended to read:

123.741 PLANNING, EVALUATION AND REPORTING PROCESS.1

Subdivision 1. The school board of each school district in the state shall develop and adopt a written educational planning, evaluation, and reporting policy which establishes establishing educational goals, including measurable objectives, for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and

adopt revisions which it deems desirable identify goals to be addressed during the current school year. School Boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is encouraged to consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts.

- Subd. 2. The school board shall instruct the administrative and professional staff of the district to develop an instructional plan for the purpose of implementing the goals established in the district educational policy within resources available to the district. Insofar as possible the instructional plan shall include measurable instructional objectives to assist in directing and measuring progress toward the goals established in the district educational policy. For goals toward which progress is not easily measurable, the instructional plan shall include other appropriate means to direct and evaluate progress.
- Subd. 3. Each school board is encouraged to appoint a curriculum advisory committee to provide for active community participation in the process of developing and revising the district educational policy, developing the instructional plan - evaluating progress and reporting to the public To allow community participation, the board shall establish a curriculum advisory committee. The committee shall advise the board about the planning, evaluating, and reporting policy, goals, evaluation, and reporting as provided in this section. The committee shall consist of teachers, administrators, parents, and members of the community.
- Subd. 4 3. Each year a final evaluation of progress shall be conducted, including both professional and consumer evaluations. The professional staff evaluation shall utilize test results and other performance data along with faculty interpretations and judgments. Consumer evaluation shall include the opinions of students, parents and other residents of the community served by the school the board shall evaluate its progress. The evaluation shall include the opinions of students, parents, and members of the community. In addition, it shall include assessment data according to section 11, subdivision 2. with staff commentary. It may include other performance data and test results.
- Subd. 4. Upon receipt of After completing the annual evaluation reports. each school the board shall review the results and develop and adopt appropriate school improvement plans to improve areas where goals of the district educational policy have not been met. The improvement plans shall describe actions to be taken to correct any weakness evident from the results of the evaluation.
- Subd. 5. The district educational policy, the reports of the annual evaluation including summary test results, and the plans for school improvement shall be made available to the citizens of the school district through media releases and other means of communicating with the public. These documents By September 1 of each year the board shall adopt a report including the following:
 - (a) goals which were addressed that year in the process;
 - (b) appropriate evaluation of the annual goals;

- (c) the results of the evaluation;
- (d) the improvement plans.

Every other year the report shall include an evaluation of the assessment program.

The school board may disseminate the report to the residents of the district by means approved by the curriculum advisory committee. The report shall also be on file and available for inspection by to the public. A information eopies copy of the reports report shall be sent to the state board of education commissioner of education by September 1 of each year. All activities and reports pursuant to this section shall comply with chapter 13, and any other law governing data on individuals in school districts government data practices.

- Subd. 6. [BIENNIAL EVALUATION; ASSESSMENT PROGRAM.] At least once every two years the board shall evaluate the testing program, using the following criteria:
 - (a) written objectives of the testing program;
 - (b) names of tests and grade levels tested; and
 - (c) utilization of test results.
 - Sec. 10. [123.7412] [REPORT TO THE COMMISSIONER.]

A brief description of the evaluation procedures adopted pursuant to section I shall be sent to the commissioner of education by September 1 of each year. If a written examination is a part of the district's evaluation procedures, the district shall also include a summary of the results of the examination, including the name of the examinations and grade levels tested. All activities and reports pursuant to this section shall comply with chapter 13 and any other law governing data on individuals in school districts.

- Sec. 11. Minnesota Statutes 1982, section 123.742, as amended by Laws 1983, chapter 258, section 26, is amended to read:
- 123.742 [ASSISTANCE TO LOCAL SCHOOL DISTRICTS; ASSESS-MENT PROGRAMS.]

Subdivision 1. [TECHNICAL ASSISTANCE.] Insofar as possible, the state board department of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts upon request. The department shall collect the annual evaluation reports from local districts as provided in section 123.741, subdivision 5, and shall make this data available upon request to any district seeking to use it for purposes of comparisons of student performance.

Subd. 2. [LOCAL ASSESSMENT PROGRAM.] As part of the planning, evaluating and reporting process, each school district shall conduct an assessment program, utilizing the local assessment option developed by the department of education. A district may use an alternate assessment for a particular grade level if the district developed the assessment and used it at that grade level before June 30, 1984. The alternate assessment shall be submitted to the commissioner. Every year each school district shall conduct an assessment for at least one curriculum area in at least three grade levels.

Handicapped pupils shall be assessed in the same manner as nonhandicapped pupils. Modifications shall occur only when and to the extent necessary to allow a handicapped pupil to demonstrate knowledge of the curriculum area. However, an individual education plan may provide for exemption from assessment.

- Subd. 3. [PARTICIPATION IN STATEWIDE ASSESSMENT PROGRAM.] Each school district shall participate in the statewide assessment sampling process at least once every three years to provide normative data. The department of education shall determine which districts shall participate and which curriculum areas shall be assessed in a given school year.
- Subd. 4. [ASSESSMENT ITEM BANK.] The department of education may develop an assessment item bank for the purpose of providing assessment programs to individual districts which are tailored to the specific educational objectives of the district. The department shall develop an item bank for at least two curriculum areas each year until the item bank has at least ten areas.
- Subd. 5. The department upon written agreement with local school districts may perform additional testing and evaluation of students. The department may collect a reasonable fee not to exceed the actual cost of services.
- Subd. 3 6. The department may provide available curriculum information for improving teaching practices at public elementary, secondary and post-secondary vocational schools. The information may be provided upon the request of a school district or an educational cooperative service unit with which the department has a written agreement. The department may collect reasonable fees not to exceed its actual costs for this service. The department may also accept money from any public or private source to defray the cost of this service.
- Subd. 47. The department of education may provide career information to school districts and educational systems. The department may collect reasonable fees for subscriptions to the Minnesota career information service.
- Sec. 12. Minnesota Statutes 1983 Supplement, section 123.743, is amended to read:

123.743 [APPROPRIATION.]

There is annually appropriated from the general fund to the department of education any and all amounts received by the department pursuant to section 123.742, subdivisions 2.5, 3.6, and 4.7.

Sec. 13. [123.7431] [AID FOR PLANNING, EVALUATION, AND REPORTING PROCESS.]

Subdivision 1. [ELIGIBILITY.] Each school district which completes the planning, evaluation and reporting process pursuant to the requirements of sections 123.741 and 123.742 and which receives approval from the commissioner of education is eligible to receive state aid. An eligible school district shall receive \$1 times average daily membership for the applicable school year. No district which is eligible for aid shall receive less than \$1,500.

Subd. 2. [PAYMENT OF AID.] The department of education shall pay aid

to a district within 30 days of approving the district's planning, evaluation and reporting process.

- Sec. 14. Minnesota Statutes 1982, section 124.245, is amended by adding a subdivision to read:
- Subd. 1d. [TECHNOLOGY EXPENDITURES.] For fiscal year 1986 and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$25 per total pupil unit exceeds the amount raised by two mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. To qualify for aid under this subdivision in any school year, a district must levy the maximum permissible amount, according to section 275.125, subdivision 11d, for use in that year. Aid paid under this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11d, may be used.

Sec. 15. [129B.10] [RESEARCH AND DEVELOPMENT GRANTS.]

Subdivision 1. [PURPOSE.] The purpose of this section is to support research on alternative educational structures and practices within public schools and to develop alternatives that are based on research.

- Subd. 2. [ADVISORY TASK FORCE.] The council on quality education shall appoint an advisory task force on research and development for alternative educational structures and practices. The advisory task force shall consist of at least 11 members. All members shall have knowledge and experience in educational research, educational administration, or teaching. The advisory task force shall assist the council in carrying out its responsibilities under this section. The terms, compensation, and removal of members shall be governed by the provisions of section 15.059, subdivision 6.
- Subd. 3. [RESEARCH AND DEVELOPMENT SUBJECTS.] The council shall select subjects for research and development focusing on alternative educational structures and practices. The subjects may include, but are not limited to, the following:
 - (1) school site management;
 - (2) development of individualized education plans for all students;
 - (3) alternative staff compensation plans;
 - (4) alternative educational delivery systems; and
 - (5) outcome based education.
- Subd. 4. [PRELIMINARY STUDIES.] The council shall contract for preliminary studies to assist it in establishing research and development needs and selecting subjects for proposals. Preliminary studies shall include recommendations for evaluation procedures which the council may use if the council issues a grant for research and development in that particular subject.
- Subd. 5. [REPORT TO LEGISLATURE; SUBJECTS.] By February 1, 1985, the council shall report to the legislature on the research needs that the council has identified, the recommended subjects for proposals, and the potential need for changes in rules and laws to facilitate the research and development programs. The report shall include specific proposals for inde-

pendent evaluation of research and development programs which will be funded under the provisions of this section. The legislature shall consider the recommendations of the council in determining the appropriation for grants to be disbursed under the provisions of this section.

- Subd. 6. [RESEARCH AND DEVELOPMENT GRANTS.] By June 1, 1985, the council shall request proposals on three to six research and development subjects. Each request for proposals shall state the method which a funded program will be evaluated. By September 1, 1985, the council shall review the proposals it receives and award grants.
- Subd. 7. [REPORT TO LEGISLATURE; RESEARCH REPORTS.] By February 1, 1988, the council shall report to the legislature. The report shall include the council's evaluation of each research and development program, recommendations for institutional changes in the structure of elementary and secondary education, and recommendations for other ways of improving elementary and secondary education.
- Sec. 16. Minnesota Statutes 1983 Supplement, section 129B.32, subdivision 3, is amended to read:
- Subd. 3. [COURSEWARE PACKAGE.] "Courseware package" means integrated videotape and videodisk, computer disk, and software and its, supporting materials, such as workbooks and textbooks, and other computer support hardware that is an integral part of an educational software package, such as a printed circuit board, voice synthesizer which enables speech production and its speaker, tap master, valve simulator, and digital to analog converter board. It does not mean a central processing unit, disk drive, video monitor, printer, or similar items.
- Sec. 17. Minnesota Statutes 1983 Supplement, section 129B.36, subdivision 7, is amended to read:
- Subd. 7. [EVALUATION OF SITES.] The state board advisory committee shall evaluate the technology demonstration sites. It may contract with independent evaluators for this purpose.
- Sec. 18. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a. is amended to read:
- Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to \$90 per total pupil unit, or \$95 per total pupil unit in districts where the actual number of actual pupil units identified in section 124.17, subdivision 1; clauses (1) and (2), has increased from the prior year. No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.
- (b) The proceeds of the tax levy may be used to acquire land, to equip and re-equip buildings and permanent attached fixtures, to rent or lease buildings for school purposes, to pay leasing fees for purchase and lease computer systems hardware and related proprietary, software, and related supporting materials, and to pay leasing fees for purchase or lease photocopy machines and telecommunications equipment. The proceeds may also be used to purchase textbooks, textbook substitutes, workbooks, and manuals when they are intended for use as a major source of study material for a class. The

proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments. and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges. such as those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10. The proceeds of the tax may also be used to pay fees for capital outlay expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors. The proceeds of the tax may also be used to pay principal and interest on loans from the state authorized by section 116J.37.

- (c) Subject to the commissioner's approval, the tax proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.
- (d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.
- (e) The proceeds of the tax levy shall not be used for custodial or other maintenance services.
- (f) Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per total pupil unit for capital expenditures for equipment for these programs.
- (g) For purposes of computing allowable levies under this subdivision and subdivisions 11b and 11c, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, section 124.17, subdivision 1, clauses (4) and (5) for 1980-1981 means total pupil units.
- Sec. 19. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:
- Subd. 11d. [TECHNOLOGY CAPITAL EXPENDITURE.] In addition to the levies authorized in subdivisions 11a, 11b, and 11c, a district may levy an amount not to exceed the amount equal to \$25 per total pupil unit. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the levy shall be placed in the capital expenditure fund. It may be used only

to obtain services and equipment for computer hardware, telecommunications, cable television, interactive video, film, low-power television, satellite communications, and microwave communications. It may not be used to purchase software.

Sec. 20. [SHARED FACILITIES REPORT.]

The commissioner shall collect information on and evaluate methods for sharing public school facilities with other organizations including government agencies, social service agencies, and other nonprofit and for-profit organizations. By January 1, 1985, the commissioner shall prepare a written report and make it available in published form to school districts and other interested persons. In developing this report the commissioner shall consult with persons in school districts in Minnesota and other states that are sharing facilities.

Sec. 21. [STUDY OF TEACHER EDUCATION.]

Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall conduct a study of teacher education programs in public and private institutions of higher education. The study shall result in a report and recommendations on the number, enrollment, mission, and location of all teacher education programs. The report shall include information and recommendations on the need for in-service education and the relationship of in-service, preservice, and graduate education. It shall also include information and recommendations for improving the quality and efficiency of teacher education programs by the use of standardized tests for beginning teachers, alternative methods of teacher preparation and certification, and other means. The report shall be submitted to the education committees of the legislature by January 1, 1985.

- Subd. 2. [FACTORS.] In developing its recommendations the higher education coordinating board shall consider factors including, but not limited to:
 - (a) the existing pool of licensed but inactive teachers;
- (b) the demand for teachers in preschool, elementary, and secondary education:
- (c) the number of teacher education programs and the annual number of graduates;
 - (d) admission criteria for teacher education programs;
 - (e) access of students to special or unique programs;
 - (f) procedures for licensing qualified, unlicensed individuals;
 - (g) the feasibility of modifying state criteria for teacher licensure;
 - (h) teacher preparation and certification procedures in other states;
- (i) available information about the use and effectiveness of standardized tests for beginning teachers; and
- (j) possible alternative methods for certification such as an undergraduate degree in a subject area plus an extended internship program.

Sec. 22. [COOPERATION OF BOARDS AND INSTITUTIONS.]

All higher education governing boards and public and private institutions

are requested to cooperate fully with the higher education coordinating board in the preparation of the study of teacher education programs, pursuant to Minnesota Statutes, section 136A.05.

Sec. 23. [SCHOOL MANAGEMENT TASK FORCE.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of education shall appoint a task force to make recommendations about an assessment center and in-service training for principals and assistant principals. The task force shall consist of 11 members. At least one member shall be from each of the following organizations: elementary school principals association, secondary school principals association, Minnesota association of school administrators, administrative women in education, and Minnesota school boards association. The commissioner shall appoint a member from the University of Minnesota or from another institution with a teacher preparation program, or both. Members of the task force shall receive expenses in the same manner and amount as state employees. The task force shall terminate on January 1, 1986.

Subd. 2. [DUTIES.] The task force shall make recommendations to the commissioner of education about the types of in-service training that are needed and how to provide effective in-service training for principals. The task force shall also make recommendations to the commissioner about an assessment center, including the location, costs of operation, staffing, manner of operation, services to be provided, fees for school districts, and other matters.

Sec. 24. [REPORT ON SUMMER INSTITUTES.]

By October 15, 1985, each post-secondary institution operating a summer institute for math or science shall submit a report on its program to the department of education. The report shall include a program description, and a program evaluation, including student evaluations, program costs, and recommendations for improvement. By December 15, 1985, the commissioner of education shall report to the education committees of the legislature, summarizing these reports and making appropriate recommendations.

Sec. 25. [REPEALER.]

Minnesota Statutes 1982, section 124.245, subdivision 1a, is repealed.

Sec. 26. [DEPARTMENT OF EDUCATION APPROPRIATIONS.]

Subdivision 1. [IN GENERAL.] There is appropriated from the general fund to the department of education the sums indicated in this section. The sums are available until June 30, 1985.

- Subd. 2. [LOCAL ASSESSMENT PROGRAM.] The sum of \$575,000 is appropriated for fiscal year 1985 for the purposes of implementing the requirements of section 11, subdivision 2. The department may use up to \$200,000 of the appropriation for initial costs of establishing the program and up to \$150,000 to increase the staff complement in the assessment division.
- Subd. 3. [DEVELOPMENT OF TEST ITEM BANK.] The sum of \$320,000 is appropriated for fiscal year 1985 for the purposes of section 11, subdivision 4. The department may use up to \$80,000 of the appropriation to increase the staff complement in the assessment division.

- Subd. 4. [PLANNING, EVALUATION, AND REPORTING PROCESS.] The sum of \$1,020,000 is appropriated for fiscal year 1985 for the purposes of section 13.
- Subd. 5. [SUBJECT AREA IN-SERVICE TRAINING.] The sum of \$300,000 is appropriated for subject area in-service training, according to section 121.601. This appropriation is in addition to the \$500,000 appropriated to provide subject area in-service training by Laws 1983, chapter 314, article 8, section 26, subdivision 2.
- (a) Of the sum, \$210,000 shall be used for grants for in-service training in the following:

The in-service training shall emphasize academic content in each of the subject areas. The grants shall be in addition to those awarded in fiscal year 1984.

- (b) The remaining \$90,000 shall be for the department to assess future needs for subject area in-service training and for planning grants. The assessment and planning grants shall emphasize the academic content of the subject area.
- Subd. 6. [INSTRUCTIONAL EFFECTIVENESS; EVALUATION INSTRUMENT.] The sum of \$250,000 is appropriated for the development of the training models specified in section 121.609, subdivision 1, as amended, and for the development of a long-term evaluation instrument pursuant to section 121.609, subdivision 3.
- Subd. 7. [INSTRUCTIONAL EFFECTIVENESS; REGIONAL SERV-ICES.] The sum of \$330,000 is appropriated for the purposes of section 121.609, subdivision 5, as amended. The department shall allocate this appropriation to the educational cooperative service unit regions based on a formula that takes into account the number of school buildings, number of participating staff, and geographic distance between the service provider and the participating school districts. Any educational cooperative service unit or other provider agency receiving funds pursuant to this section shall match the funds with an amount equal to 25 percent of the allocation.
- Subd. 8. [INSTRUCTIONAL EFFECTIVENESS; TRAINING.] The sum of \$250,000 is appropriated for the purposes of section 121.609, subdivision 5, as amended. This amount shall be used to pay for the costs of providing instructional effectiveness training to school district staff, including the costs of stipends or substitute teachers.
- Subd. 9. [SUMMER INSTITUTES.] The sum of \$45,000 is appropriated for fiscal year 1985 for the math and science summer institutes.

The amount shall be allocated equally among the approved institutes provided that no institute may receive more than the actual cost of its program. In the event additional funds are available as a result of this limitation, those funds may be distributed to the other institutions, if needed, on the basis of the number of students served by each institute.

This appropriation is based on payment of 100 percent of the aid entitlement during fiscal year 1985.

- Subd. 10. [SHARED FACILITIES REPORT.] The sum of \$10,000 is appropriated for the purposes of preparing a report on methods for sharing public school facilities.
- Subd. 11. [RESEARCH AND DEVELOPMENT.] The sum of \$70,000 is appropriated for the council on quality education for research and development grants. At least \$50,000 of this appropriation shall be used for contracts for preliminary studies.
- Subd. 12. [SCHOOL MANAGEMENT.] The sum of \$25,000 is appropriated for school management. Of this sum \$10,000 is for the school management task force. The remaining \$15,000 is to be used by the commissioner of education for initial administrative costs in establishing an assessment center.
- Subd. 13. [TECHNOLOGY DEMONSTRATION SITES.] The sum of \$730,000 is appropriated to fund the technology demonstration site proposals under Minnesota Statutes, section 129B.36, which were the first, second, third, ninth, 12th, and 22nd highest proposals rated by the advisory committee on technology in education. The grants awarded to each of the six districts submitting these proposals shall be for use during the 1983-1984 and 1984-1985 school years and shall not exceed the actual amount of the grant proposal submitted to the state board of education or \$125,000, whichever is less.

Sec. 27. [APPROPRIATION FOR TEACHER EDUCATION STUDY.]

The sum of \$20,000 is appropriated from the general fund to the higher education coordinating board to conduct a study of teacher education programs. A portion of this sum may be used for consultants. The sum shall be available until June 30, 1985.

Sec. 28. [EFFECTIVE DATES.]

Sections 2, 3, 4, 5, 6, 7, 15, 20, 21, 23, 25, subdivision 2, and 27 are effective the day following final enactment.

ARTICLE 9

CASH FLOW

- Section 1. Minnesota Statutes 1983 Supplement, section 121.904, subdivision 4a, is amended to read:
- Subd. 4a. [LEVY RECOGNITION.] (a) "School district tax settlement revenue" means the current, delinquent, and manufactured home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and excluding the amount levied pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4.
- (b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:
- (1) the June and July school district tax settlement revenue received in that calendar year, or

- (2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2 which are for the fiscal year payable in that fiscal year plus 32 percent of the amount of the levy certified in the prior calendar year according to section 275.125, subdivision 2d, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or
- (3) thirty-two percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:
- (i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;
- (ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, chapter 20, section 4; and
- (iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, chapter 261, section 4; and
- (iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, and amounts levied pursuant to section 275.125, subdivision 14a.
- (4) In June, 1985, and each year thereafter, the levy recognition percentage specified in clauses (b)(2) and (b)(3) of this subdivision shall be reduced to a percentage factor equal to 32 percent, times the ratio of (a) the total state amount computed in June, 1985, under clauses (b)(1) to (b)(3)(iv) minus \dots , divided by (b) the total state amount computed in June, 1985, under clauses (b)(1) to (b)(3)(iv).
- (c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).
- (d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 124.155, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF ADJUSTMENT.] Beginning with In fiscal year 1984 and each year thereafter, state aids and credits enumerated in subdivision 2 payable to any school district in a particular fiscal year for that fiscal year shall be adjusted, in the order listed, by an amount equal to (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 121.904, subdivision 4a, clause (b), as amended by Laws 1982, third special session chapter 1, article 3, section 1; minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), as amended by Laws 1982, third special session chapter 1, article 3, section 1. For the purposes of this subdivision of making the aid adjustment under this subdivision, the amount the district recognizes

as revenue for either the prior fiscal year or the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), shall not include any amount levied pursuant to section 275.125, subdivision 2d. Any loan amount authorized from the eash flow loan fund or Payment from the permanent school fund shall not be adjusted pursuant to this section. The school district shall be notified of the amount of the adjustment made to each payment pursuant to this section.

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to all aids or credits paid by the commissioner of education from the general fund of the state of Minnesota to school districts, except as provided in section 124.5629. The procedures described in this section for making disbursements to school districts will be used starting in fiscal year 1984, except that for districts that have tax anticipation certificates or aid anticipation certificates which were sold prior to June 30, 1983, and which mature prior to June 30, 1984, the payment schedules specified in Minnesota Statutes 1982 may continue to be used in fiscal year 1984 if the school district provides evidence to the commissioner of education that the payment schedules established in this section would jeopardize repayment of these certificates or prevent the district from making payments for other services without additional borrowing.

- Sec. 4. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 2, is amended to read:
- Subd. 2. [DEFINITIONS.] (a) The term "Other district receipts" means payments by county treasurers pursuant to section 276.10, apportionments from the school endowment fund pursuant to section 124.09, apportionments by the county auditor pursuant to section 124.10, subdivision 2, and payments to school districts by the commissioner of revenue pursuant to sections 294.21 to 294.26 and chapter 298.
- (b) The term "Cumulative amount guaranteed" means the sum product of the following:
- (1) one third of the final adjustment payment according to subdivision 6; plus
 - (2) the product of
 - (i) the cumulative disbursement percentage shown in subdivision 3; times
 - (ii) (2) the sum of
- (i) 85 percent of the estimated aid and credit entitlements paid according to subdivision 10; plus
- (ii) 100 percent of the entitlements aids and credits paid according to subdivisions 8 and 9; plus
 - (iii) the other district receipts; plus

the final adjustment payment according to subdivision 6.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 3, is amended to read:
 - Subd. 3. [PAYMENT DATES AND PERCENTAGES.] Beginning in fis-

eal year 1984 and thereafter, The commissioner of education shall pay to a school district on the dates indicated an amount computed as follows: the cumulative amount guaranteed minus the sum of (a) the district's other district receipts through the current payment, and (b) the aid and credit payments through the immediately preceding payment. For purposes of this computation, the payment dates and the cumulative disbursement percentages are as follows:

	Payment date	Percentage
Payment 1	First business day prior to July 15:	2.25
Payment 2	First business day prior to July 30:	4.50
Payment 3	First business day prior to August 15:	6.75
Payment 4	First business day prior to August 30:	9.0
Payment 5	First business day prior to September 15: the	
	greater of (a) one-half of the final adjustment	
	for the prior fiscal year for the state paid	
	property tax credits established in section	•
	273.1392, or (b) the amount needed to provide	
	12.75 percent	12.75
Payment 6	First business day prior to September 30: the	
	greater of (a) one-half of the final adjustment	
	for the prior fiscal year for the state paid	
	property tax credits established in section	
	273.1392, or (b) the amount needed to provide 16.5	•
	percent	16.5
Payment 7	First business day prior to October 15: the	
	greater of (a) one half of the final adjustment	
	for the prior fiscal year for all aid entitlements	
	except state paid property tax credits, or	
	(b) the amount needed to provide 20.75 percent	20.75
Payment 8	First business day prior to October 30: the	
•	greater of (a) one half of the final adjustment	
	for the prior fiscal year for all aid	
	entitlements except state paid property tax	
	eredits, or (b) the amount needed to provide	
	25.0 percent	25.0
Payment 9	First business day prior to November 15:	31.0
Payment 10	First business day prior to November 30:	37.0
Payment 11	First business day prior to December 15:	40.0
Payment 12	First business day prior to December 30:	43.0
Payment 13	First business day prior to January 15:	47.25
Payment 14	First business day prior to January 30:	51.5
Payment 15	First business day prior to February 15:	56.0
Payment 16	First business day prior to February 28:	60.5
Payment 17	First business day prior to March 15:	65.25
Payment 18	First business day prior to March 30:	70.0
Payment 19	First business day prior to April 15:	74.0
Payment 20	First business day prior to April 30:	85.0
Payment 21	First business day prior to May 15:	92.0
Payment 22	First business day prior to May 30:	100.0
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Sec. 6. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 6, is amended to read:

Subd. 6. [FINAL ADJUSTMENT PAYMENT.] For all aids and credits

paid according to subdivision 10, the final adjustment payment shall include the amounts necessary to pay the district's full aid entitlement for the prior year based on actual data. This payment shall be used to correct all estimates used for the payment schedule in subdivision 3. The payment shall be made in two installments, during September or by October, as specified in subdivision 3. In the event actual data are not available, the final adjustment payment may be computed based on estimated data. A corrected final adjustment payment shall be made when actual data are available.

- Sec. 7. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 9, is amended to read:
- Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] The following aids shall be paid at 100 percent of the entitlement for the current fiscal year: school lunch aid, according to section 124.646; teacher institute aid, eampus laboratory school aid, and high technology aids hearing impaired support services aid, according to section 121.201; and educational improvement aids, according to sections 121.601, 129B.33, 129B.34, and 129B.36.
- Sec. 8. Minnesota Statutes 1983 Supplement, section 124.195, is amended by adding a subdivision to read:
- Subd. 11. [NONPUBLIC AIDS.] The state shall pay to each school district 85 percent of its aid for pupils attending nonpublic schools, according to sections 123.931 to 123.947 by December 31. The final aid distribution shall be made by December 31 of the following school year.
- Sec. 9. Minnesota Statutes 1982, section 475.61, subdivision 1, is amended to read:

Subdivision 1. [DEBT SERVICE RESOLUTION.] The governing body of any municipality issuing general obligations shall, prior to delivery of the obligations, levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years for municipalities other than school districts shall be specified and such that if collected in full they, together with estimated collections of special assessments and other revenues pledged for the payment of said obligations, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the obligations. The tax levies for school districts shall be specified and such that if collected in full they, together with estimated collection of other revenues pledged for the payment of the obligations, will produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations; except that, with the permission of the commissioner of education, a school board may specify a tax levy in a higher amount if necessary because of either to meet an anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund. Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations. The governing body may, in its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected, and remitted

as hereinafter provided, and the amount or amounts therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

- Sec. 10. Minnesota Statutes 1983 Supplement, section 475.61, subdivision 3, is amended to read:
- Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except as provided in this subdivision.

In each year when there is on hand any excess amount in the debt service redemption fund of a school district at the time the district makes its property tax levies, the amount of the excess shall be certified by the school board to the county auditor and the auditor shall reduce the tax levy otherwise to be included in the rolls next prepared by the amount certified, unless the school board determines that the excess amount is necessary to ensure the prompt and full payment of the obligations and any call premium on the obligations, or will be used for redemption of the obligations in accordance with their terms. An amount shall be presumed to be excess for a school district in the amount that it, together with the levy required by subdivision 1, will exceed 106 percent of the amount needed to meet when due the principal and interest payments on the obligations due before the second following July 1. This subdivision shall not limit a school board's authority to specify a tax levy in a higher amount if necessary because of anticipated tax delinquency or for cash flow needs to meet the required payments from the debt redemption fund.

If the governing body, including the governing body of a school district, in any year makes an irrevocable appropriation to the debt service fund of moneys actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

Sec. 11. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 124.225, subdivision 12, is repealed.

Sec. 12. [APPROPRIATION.]

- Subd. 1. [HEARING IMPAIRED SUPPORT SERVICES.] The appropriation for payment of support services for hearing impaired persons, according to Laws 1983, article 3, section 19, subdivision 8, for fiscal year 1985 is increased from \$37,000 to \$43,000.
- Subd. 2. [1985 INCREASED AID ADJUSTMENTS.] The sum of \$...... is appropriated from the general fund to the department of education for increased aid adjustments for fiscal year 1985, according to section 124.155.

Sec. 13. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. Section 2 is effective the day following final enactment and shall apply to the adjustment made pursuant to section 124.155 in fiscal year 1984 and thereafter."

Delete the title and insert:

"A bill for an act relating to education; providing for aids to education; tax

levies; granting certain duties and powers to school boards, school districts, the state board of education, and the commissioner of education; modifying and establishing certain aspects of foundation aid; modifying certain aspects of state payments to school districts; providing for summer learning programs, early childhood and family education, technology programs, and other special programs; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.20; 124.201, subdivision 1; 124.2126, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 124.573, subdivision 3; 125.12, subdivisions 2 and 3; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 2, 3, 6, 9, and by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivision 1; 124.2138, subdivision 1; 124.271, subdivision 2b; 124.5615, subdivision 5; 124A.06, subdivision 1; 125.032, subdivision 2; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, 126, 129B, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.212, subdivision 1; 124.245, subdivision 1a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; 275.125, subdivision 2g; Minnesota Statutes 1983 Supplement, sections 124.225, subdivision 12: 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1891, 1632, 1987, 1872, 1719, 1973, 1974, 1849, 1836, 1772, 1785, 1986, 1931, 1880, 1927, 1770, 1771, 1975, 1859, 2076, 1967, 1834, 1652, 2054, 1805, 1827, 1480, 1343, 1853, 1883, 1924, 1450, 1808, 1662, 1548, 1498, 2079, 1313, 1681, 1554, 1884, 1862, 1813 and 1826 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1257, 523 and 1522 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Solon moved that the name of Mr. Ulland be added as a co-author to S.F. No. 1531. The motion prevailed.

Mr. Pehler moved that the name of Mr. Taylor be added as a co-author to S.F. No. 2042. The motion prevailed.

Mr. Taylor moved that the name of Mr. Solon be added as a co-author to

S.F. No. 2091. The motion prevailed.

Ms. Peterson, D.C. moved that the name of Mr. Dahl be added as a co-author to S.F. No. 2132. The motion prevailed.

Mr. Anderson introduced-

Senate Resolution No. 93: A Senate resolution commending Lyle Freer for his induction into the Minnesota Baseball Hall of Fame.

Referred to the Committee on Rules and Administration.

Mr. DeCramer introduced—

Senate Resolution No. 94: A Senate resolution congratulating the E-Gals basketball team from Southwest Christian High School for winning fourth place in the 1984 Girls State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mrs. Lantry introduced-

Senate Resolution No. 95: A Senate resolution condemning the Adolph Coors Brewery for its negative policies and practices.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced-

Senate Resolution No. 96: A Senate resolution eulogizing and commemorating the life and exemplary work in the Minnesota Senate of Al Mareck.

Referred to the Committee on Rules and Administration.

Mr. Isackson introduced-

Senate Resolution No. 97: A Senate resolution congratulating the Blue Jay gymnastics team from Jackson High School for winning the 1984 Class A Girls State High School Gymnastics Championship.

Referred to the Committee on Rules and Administration.

CALENDAR

H.F. No. 1516: A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Novak	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Solon
Benson	Frank	Langseth	Peterson, C.C.	Spear
Berg	Frederickson	Lantry	Peterson, D.C.	Storm
Berglin	Freeman	Lessard	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Luther	Peterson, R.W.	Taylor
Bertram	Isackson	McQuaid	Petty	Ulland
Brataas	Johnson, D.E.	Mehrkens	Pogemiller	Vega
Chmielewski	Johnson, D.J.	Merriam	Purfeerst	Waldorf
Dahi	Jude	Moe, D. M.	Ramstad	Wegscheid
Davis	Kamrath	Moe, R. D.	Renneke	Willet
DeCramer	Knaak	Nelson	Samuelson	

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

- S.F. Nos. 1934 and 1810, which the committee recommends to pass.
- S.F. No. 341, which the committee recommends be returned to its author.
- S.F. No. 1628, which the committee reports progress, subject to the following motion:
 - Ms. Berglin moved to amend S. F. No. 1628 as follows:
 - Page 2, delete sections 4 and 5 and insert:
- "Sec. 4. Minnesota Statutes 1982, section 245.812, subdivision 4, is amended to read:
- Subd. 4. Unless otherwise provided in any town, municipal or county zoning regulation as authorized by this subdivision, a licensed day eare or residential facility serving from seven through sixteen 25 persons or a licensed day care facility serving from 13 through 25 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no conditions standards shall be imposed on the homes used which are more restrictive than those imposed on used with respect to other conditional uses or special uses of residential property in the same zones, unless such additional conditions are necessary to protect the health and safety of the residents of the facility. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Nothing herein in this subdivision shall be construed to exclude or prohibit residential homes facilities from single family zones any zoning district if otherwise permitted by a local zoning regulation.'
 - Page 3, line 25, after "facility" insert "serving seven or more persons"
 - Pages 4 and 5, delete sections 9 and 10 and insert:
 - "Sec. 8. Minnesota Statutes 1982, section 462.357, subdivision 8, is

amended to read:

Subd. 8. [PERMITTED MULTI-FAMILY USE.] Unless otherwise provided in any town, municipal or county zoning regulation as authorized by this subdivision, a state licensed residential facility serving from 7 through 16 mentally retarded or physically handicapped 25 persons or a licensed day care facility serving from 13 through 25 shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no conditions standards shall be imposed on the homes used which are more restrictive than those imposed on used with respect to other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the residents of the residential facility for the mentally retarded or the physically handicapped. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Nothing herein in this subdivision shall be construed to exclude or prohibit residential homes for the mentally retarded or physically handicapped facilities from single family zones any zoning district if otherwise permitted by a local zoning regulation."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, delete "subdivisions" and insert "a subdivision"

Page 1, line 14, delete "subdivisions" and insert "a subdivision"

The motion prevailed. So the amendment was adopted.

S.F. No. 1628 was then progressed.

S.F. No. 1760, which the committee recommends to pass with the following amendment offered by Ms. Reichgott:

Page 1, line 18, delete "January" and insert "April"

The motion prevailed. So the amendment was adopted.

S.F. No. 1750, which the committee reports progress, subject to the following motions:

Mr. Wegscheid moved to amend S.F. No. 1750 as follows:

Page 7, after line 33, insert:

"Sec. 7. Minnesota Statutes 1982, section 82.20, subdivision 9, is amended to read:

Subd. 9. [TERMINATIONS; TRANSFERS.] (a) Except as provided in paragraph (b), when a salesperson terminates his activity on behalf of a broker, the salesperson's license shall be ineffective. Within ten days of the termination the broker shall notify the commissioner in writing, and shall return to the commissioner the license of the salesperson. The salesperson may apply for transfer of the license to another broker at any time during the remainder of the license period, on forms provided by the commissioner. If the application for transfer qualifies, the commissioner shall grant the appli-

cation. Upon receipt of a transfer application and payment of the transfer fee, the commissioner may issue a 45 day temporary license. If an application for transfer is not made within the license period, the commissioner shall require that an application for a new license be filed.

- (b) When a salesperson terminates his activity on behalf of a broker in order to begin association immediately with another broker, the commissioner shall permit the automatic transfer of the salesperson's license. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office. The commissioner may adopt rules and prescribe forms as necessary to implement this paragraph.
- (c) When a broker terminates his activity in order to begin association with another broker, the commissioner shall permit the automatic transfer of the broker's license to a salesperson's license. If there are licensed salespersons working for the broker he shall certify that a broker will remain in the company he is leaving prior to issuance of the transfer. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 22, delete "subdivision 8" and insert "subdivisions 8 and 9"

The motion prevailed. So the amendment was adopted.

Mr. Wegscheid then moved to amend S.F. No. 1750 as follows:

Page 2, after line 33, insert:

- "Sec. 3. Minnesota Statutes 1982, section 80A.14, subdivision 4, is amended to read:
- Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. "Broker-dealer" does not include:
 - (1) an agent;
 - (2) an issuer;
 - (3) a bank, savings institution or trust company,; or
 - (4) a bank, savings institution, savings and loan association
- (i) acting for the account of others, provided that such activities are conducted in compliance with such rules and regulations as may be adopted by the commissioner;
 - (ii) acting for its own account; or
- (iii) acting in a fiduciary capacity pursuant to the powers and privileges described by sections 48.36 to 48.49 or 12 U.S.C. 92(a);
- (4)(5) a person who has no place of business in this state if he effects transactions in this state exclusively with or through (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii)

banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or

(5)(6) other persons not within the intent of this subsection whom the commissioner by rule or order designates."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, before "80A.15" insert "80A.14, subdivision 4;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1750 was then progressed.

S.F. No. 1758, which the committee reports progress, subject to the following motion:

Mr. Solon moved to amend S.F. No. 1758 as follows:

Page 7, after line 3, insert:

"Sec. 4. Minnesota Statutes 1982, section 47.204, subdivision 1, is amended to read:

Subdivision 1. [NO USURY LIMITS.] Notwithstanding any law to the contrary, no limitation on the rate or amount of interest, discount points, finance charges or other charges shall apply to a loan, mortgage, credit sale or advance which would have been exempt from the laws of this state pursuant to Pub. L. 96-221, Title V, Part A, Section 501, as amended as of June 2, 1981, but for section 47.203 and which is made in this state after June 2, 1981 and before August 1, 1984 1987."

Page 8, line 28, before "\$25,000" insert "(a)" and before "five" insert "(b)"

Page 8, line 29, delete the first comma and after "less" insert a comma

Page 14, after line 32, insert:

"Sec. 15. Minnesota Statutes 1982, section 51A.50, is amended to read:

51A.50 [FEDERAL SAVINGS ASSOCIATIONS AND SAVINGS BANKS.]

Federal savings associations, federal savings banks, or federal savings and loan associations, incorporated pursuant to the laws of the United States, as now or hereafter amended, are not foreign corporations or foreign associations. Unless federal laws or regulations provide otherwise, federal associations, federal savings banks, and the members or stockholders thereof shall possess all of the rights, powers, privileges, benefits, immunities, and exemptions that are now provided or that hereafter may be provided by the laws of this state for savings associations organized under the laws of this state and for the members or stockholders thereof. This provision is additional and supplemental to any provision which, by specific reference, is applicable to federal associations and the members or stockholders thereof. Federal sav-

ings banks shall possess all of the rights, powers, privileges, benefits, immunities, liabilities, and exemptions that are now provided or that hereafter may be provided by the laws of this state for federal savings and loan associations."

Page 19, after line 25, insert:

- "Sec. 22. Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a, is amended to read:
- Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56. Loans made under the authority of chapter 56 must be in amounts in compliance with section 53.05, clause (3), or 56.131, subdivision 1, paragraph (a), whichever is less. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum. The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision. Nothing in this subdivision is deemed to supersede, repeal, or amend any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.
- (b) Loans made under this section at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. If the proceeds of a loan made after August 1, 1984 1987 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan must not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.
- (c) A loan made under this section that is secured by real estate and that is in a principal amount of \$7,500 or more and a maturity of 60 months or more may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this subdivision when the prepayment is taken into account."

Page 20, after line 5, insert:

- "Sec. 24. Minnesota Statutes 1982, section 56.12, is amended to read:
- 56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit,

goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which he shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as he may deem necessary to prevent misunderstanding thereof by prospective borrowers. A statement of rates of charge that meets the requirements of the federal Truth-in-Lending Act and regulations thereunder shall be deemed full compliance with this section.

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chapter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section. No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's primary residence, unless:

- (1) the proceeds of the loan are used to finance the purchase of a manufactured home; or
- (2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, 4984 1987, shall not exceed the rate provided in section 47.20, subdivision 4a.

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it

would facilitate evasions of this chapter or of the rules and regulations lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail."

Page 21, after line 21, insert:

"Sec. 26. Minnesota Statutes 1983 Supplement, section 332.50, subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever issues any check that is dishonored and is not paid within 30 days after mailing a notice of dishonor and a copy of sections 332.50 and 609.535 in compliance with subdivision 3, is liable to the holder for the amount of the check plus a civil penalty of up to \$100, interest at the rate payable on judgments pursuant to section 549.09 on the face amount of the check from the date of dishonor, and reasonable attorney fees if the amount of the check is over \$1,250, and.

A service charge not exceeding \$15 may be imposed immediately on any dishonored check, regardless of mailing a notice of dishonor, if written notice of the service charge was conspicuously displayed on the premises when the check was issued.

This subdivision prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this subdivision."

Page 21, line 26, delete "21" and insert "26"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 24, after the first semicolon, insert "extending the temporary removal of mortgage usury limits; clarifying service charges on dishonored checks;"

Page 1, line 26, after "1;" insert "47.204, subdivision 1;"

Page 1, line 28, after "48.51;" insert "51A.50;"

Page 1, line 29, after "1;" insert "56.12;"

Page 1, line 32, delete "and" and insert "53.04, subdivision 3a;" and after "168.67;" insert "and 332.50, subdivision 2;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1758 was then progressed.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees

indicated.

Messrs. Wegscheid, Kamrath, Isackson, Stumpf and Mrs. Adkins introduced-

S.F. No. 2149: A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

Referred to the Committee on Local and Urban Government.

Mrs. Kronebusch introduced—

S.F. No. 2150: A bill for an act relating to mental health; authorizing local agencies to contract with public or private agencies in states bordering Minnesota for the purpose of providing mental health services; proposing new law coded in Minnesota Statutes, chapter 245.

Referred to the Committee on Health and Human Services.

Mr. Vega introduced-

S.F. No. 2151: A bill for an act relating to energy; creating a public corporation to develop and market Minnesota's peatland for energy production; appropriating money; amending Minnesota Statutes 1982, sections 92.461, subdivision 1; and by adding a subdivision; and 92.50, subdivision 1; Minnesota Statutes 1983 Supplement, section 10A.01, subdivision 18; proposing new law coded in Minnesota Statutes, chapter 93.

Referred to the Committee on Energy and Housing.

Messrs. Laidig, Anderson, Isackson, Kamrath and Johnson, D.E. introduced-

S.F. No. 2152: A bill for an act relating to corrections; requiring inmates to satisfactorily participate in rehabilitative programs as a condition of accruing good time reduction in their sentences; requiring the sentencing guidelines commission to amend the dispositional line on the sentencing guidelines grid; authorizing bonds to be issued for increasing the cell capacity of correctional facilities; appropriating money; amending Minnesota Statutes 1982, sections 244.02; and 244.04, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 244.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 244.

Referred to the Committee on Health and Human Services.

Messrs. Chmielewski, Diessner and Frank introduced—

S.F. No. 2153: A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

Referred to the Committee on Economic Development and Commerce.

Mr. Pogemiller introduced-

S.F. No. 2154: A bill for an act relating to job training; authorizing demonstration grants for training and habilitation services for persons with certain disabilities; appropriating money.

Referred to the Committee on Employment.

Mr. Vega and Ms. Peterson, D.C. introduced-

S.F. No. 2155: A bill for an act relating to housing; tax exempt financing; changing the formula and competitive system for the allocation of qualified mortgage bonds; amending Minnesota Statutes 1982, section 462C.09, subdivision 2.

Referred to the Committee on Energy and Housing.

Ms. Peterson, D.C. introduced—

S.F. No. 2156: A bill for an act relating to economic development; augmenting the Small Business Procurement Act; amending Minnesota Statutes 1982, sections 16.06, subdivision 1; 16.081; 16.083, subdivision 2; and 16.086, subdivision 2; Minnesota Statutes 1983 Supplement, sections 16.083, subdivisions 1, 1a, 3, 4, 4a, 5, and 6; 16.084; 16.085; 16.086, subdivision 1; and 16.28; repealing Minnesota Statutes 1983 Supplement, section 16.083, subdivision 4b.

Referred to the Committee on Governmental Operations.

Messrs. Dicklich and Johnson, D.J. introduced—

S.F. No. 2157: A bill for an act relating to local government; establishing emergency property tax relief aid; appropriating money; amending Minnesota Statutes 1983 Supplement, section 275.51, subdivision 3i; proposing new law coded in Minnesota Statutes, chapter 477A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, C.C.; Pogemiller; Spear and Ms. Berglin introduced-

S.F. No. 2158: A bill for an act relating to employment; Minnesota Emergency Employment Development Act; clarifying a definition; providing that certain farmers may be considered unemployed; providing a waiver for use of discretionary funds; specifying use of funds; delaying the expiration date of the act; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 268.672, subdivision 6; 268.676, subdivision 2; 268.677; and 268.686.

Referred to the Committee on Health and Human Services.

Mr. DeCramer introduced-

S.F. No. 2159: A bill for an act relating to public welfare; revising the requirements for procedures for determining the rates for care of residents of intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1983 Supplement, section 256B.501, subdivision 3.

Referred to the Committee on Health and Human Services.

Messrs. Pehler, Frank, Novak and Pogemiller introduced-

S.F. No. 2160: A bill for an act relating to taxation; providing a reduced sales and use tax rate on capital equipment and construction materials used in expansion of certain facilities; amending Minnesota Statutes 1982, sections 297A.01, by adding a subdivision; and 297A.02, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 297A.14.

Referred to the Committee on Taxes and Tax Laws.

Mrs. McQuaid, Mr. Kroening, Mmes. Lantry, Adkins and Mr. Knaak introduced—

S.F. No. 2161: A bill for an act relating to public welfare; providing for special transportation services for the blind elderly; amending Minnesota Statutes 1982, section 174.31, subdivision 3.

Referred to the Committee on Transportation.

Mr. Purfeerst introduced—

S.F. No. 2162: A bill for an act relating to retirement; salaried firefighters relief associations; providing vesting upon layoff in certain instances; proposing new law coded in Minnesota Statutes, chapter 423A.

Referred to the Committee on Governmental Operations.

Mr. Bertram introduced-

S.F. No. 2163: A bill for an act relating to taxation; sales; expanding the exemption for electricity for agricultural production; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dicklich, Samuelson, Solon and Johnson, D.J. introduced-

S.F. No. 2164: A resolution memorializing Congress to enact H.R. 5081, the Fair Trade in Steel Act of 1984.

Referred to the Committee on Economic Development and Commerce.

Mr. Wegscheid, Mrs. Adkins, Messrs. Freeman and Schmitz introduced-

S.F. No. 2165: A bill for an act relating to public finance; authorizing additional investment alternatives; providing for the delivery of municipal obligations in certificated or uncertificated form; providing restrictions on the use of certain data; providing a formula for determining limitations on interest rates on municipal obligations; providing an alternative procedure for conducting a public sale of municipal obligations; amending Minnesota Statutes 1982, sections 471.56, by adding a subdivision; 475.55, subdivisions 1, 4, and by adding a subdivision; 475.60, subdivision 3, and by adding a subdivision; repealing Minnesota Statutes 1982, sections 475.71; and 475.76, subdivision 5.

Referred to the Committee on Local and Urban Government.

Messrs. Dicklich, Frank and Mrs. Lantry introduced-

S.F. No. 2166: A bill for an act relating to labor; prohibiting the use of strikebreakers by public employers; amending Minnesota Statutes 1982, section 179.01, subdivision 3.

Referred to the Committee on Employment.

Mr. Solon introduced—

S.F. No. 2167: A bill for an act relating to port authorities; fixing the amount of the property tax levy for them; amending Minnesota Statutes 1982, section 458.14.

Referred to the Committee on Taxes and Tax Laws.

Mr. Samuelson introduced-

S.F. No. 2168: A bill for an act relating to transportation; highways; modifying restrictions on loading of vehicles driven on highways; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

Referred to the Committee on Transportation.

Mr. Samuelson introduced-

S.F. No. 2169: A bill for an act relating to the establishment of the Croft Mine Historical Board; authorizing a tax levy.

Referred to the Committee on Taxes and Tax Laws.

Mr. Diessner introduced—

S.F. No. 2170: A bill for an act relating to watercraft; requiring titling for certain vessels; regulating perfection of security interests in vessels; proposing new law coded in Minnesota Statutes, chapter 361.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 2171: A bill for an act relating to agriculture; providing for payment of certain federal crop insurance premiums by the state; appropriating money; proposing new law coded in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Moe, D.M. introduced—

S.F. No. 2172: A bill for an act relating to the legislature; requiring the establishment of an affirmative action plan for the legislature; creating a staff position of director of legislative equal employment opportunity; providing for immediate action to be taken in furtherance of equal employment opportunity; proposing new law coded in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Messrs. Jude, Kamrath, Petty, Luther and Johnson, D.E. introduced-

S.F. No. 2173: A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; amending Minnesota Statutes 1982, section 359.02.

Referred to the Committee on Judiciary.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Willet moved that S.F. No. 1813, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Thursday, April 5, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIRST DAY

St. Paul, Minnesota, Wednesday, April 4, 1984

The House of Representatives met on Wednesday, April 4, 1984, which was the Seventy-First Legislative Day of the Seventy-Third Session of the Minnesota State Legislature. The Senate did not meet on this date.

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SEVENTY-SECOND DAY

St. Paul, Minnesota, Thursday, April 5, 1984

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The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. John Chell.

The roll was called, and the following Senators answered to their names:

Diessner	Kroening	Oison	301011
Dieterich	Kronebusch	Pehler	Spear
Frank	Laidig	Peterson, D.C.	Storm
Frederick	Langseth	Peterson, D.L.	Stumpf
Frederickson	Lantry	Peterson, R.W.	Taylor
Freeman	Lessard	Petty	Ulland
Hughes	Luther	Pogemiller	Vega
Isackson	McQuaid	Purfeerst	Waldorf
Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Johnson, D.J.	Merriam	Reichgott	Willet
Jude	Moe, D.M.	Renneke	
Kamrath	Moe, R.D.	Samuelson	
Knaak	Nelson	Schmitz	
Knutson	Novak	Sieloff	
	Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath Knaak	Dieterich Kronebusch Frank Laidig Frederick Langseth Frederickson Lantry Freeman Lessard Hughes Luther Isackson McQuaid Johnson, D.E. Mehrkens Johnson, D.J. Merriam Jude Moe, D.M. Kamrath Moe, R.D. Knaak Nelson	Dieterich Frank Laidig Frederick Langseth Frederickson Frederickson Lentry Freeman Lessard Hughes Luther Isackson Johnson, D.E. Johnson, D.J. Jude Moe, D.M. Kamrath Moe, R.D. Knaak Peterson, D.C. Pete

The President declared a quorum present.

D:----

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mr. Peterson, C.C. was excused from the Session of today. Mr. Berg was excused from the Session of today at 11:45 a.m. Mr. Hughes was excused from the Session of today from 12:00 noon to 12:40 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

March 1, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State University Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Nicholas John Zuber, 25 S. 26th Ave. E., Duluth, St. Louis County, has

been appointed by me, effective February 19, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

April 27, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board of Education are hereby respectfully submitted to the Senate for confirmation as required by law:

James Hoese, 5520 Polk Ave., Mayer, Carver County, has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1986.

Joy Fogarty, 2001 - 5th Ave. N.E., Rochester, Olmsted County, has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

Ruth A. Myers, 121 A N. 1st Ave. W., Duluth, St. Louis County, has been appointed by me, effective April 27, 1983, for a term expiring the first Monday in January, 1987.

(Referred to the Committee on Education.)

August 11, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

Lee Antell, 648 - 129th Ave. N.E., Blaine, Anoka County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1984.

(Referred to the Committee on Education.)

August 11, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointment to the State Board for Community Colleges is hereby respectfully submitted to the Senate for confirmation as required by law:

James B. Collier, Jr., 1101 E. Irene, Willmar, Kandiyohi County, has been appointed by me, effective August 11, 1983, for a term expiring the first Monday in January, 1986.

(Referred to the Committee on Education.)

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Council on Quality Education are hereby respectfully submitted to the Senate for confirmation as required by law:

John Huisman, Route 1, Box 2, Frost, Faribault County, has been appointed by me, effective January 23, 1984, for a term expiring the first Monday in January, 1988.

Judith Roy, P.O. Box 53, Red Lake, Beltrami County, has been appointed by me, effective January 23, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

March 20, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State Board for Community Colleges are hereby respectfully submitted to the Senate for confirmation as required by law:

Lee Antell, 648 - 129th Ave. N.E., Blaine, Anoka County, has been appointed by me, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Richard M. Niemiec, 4239 Harriet Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective January 16, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

March 26, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the State University Board are hereby respectfully submitted to the Senate for confirmation as required by law:

L.E. Danford, 4401 Browndale, Edina, Hennepin County, has been appointed by me, effective January 20, 1984, for a term expiring the first Monday in January, 1988.

Nellie Stone Johnson, 1239 Sheridan N., Minneapolis, Hennepin County, has been appointed by me, effective January 20, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Education.)

Sincerely,

Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned:

S.F. No. 1476: A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned:

- S.F. No. 1453: A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.
- S.F. No. 1475: A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 4, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 311: A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1984

Ms. Berglin moved that the Senate do not concur in the amendments by the House to S.F. No. 311, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to inform the Senate that the House of Representatives invites and is ready to meet with the Senate at 12:50 p.m., Thursday, April 5,

1984, to receive an address on the "State of the Judiciary" by the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota. The address by Chief Justice Amdahl will be delivered at 1:00 p.m.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1984

Mr. Moe, R.D. moved that the Senate accede to the request of the House of Representatives to meet in the House Chamber at 1:00 p.m., Thursday, April 5, 1984, to receive the address on the "State of the Judiciary" by the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1516:

H.F. No. 1516: A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

The House respectfully requests that a Conference Committee of three members be appointed thereon.

Otis, Scheid and Evans have been appointed as such committee on the part of the House.

House File No. 1516 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1984

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1516, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 585, 1325, 1404, 1418, 950, 1347, 1459, 1503, 2180, 1670, 1706, 1774, 1912, 1915, 1918, 1936 and 1998.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 735, 1528, 1338, 1371, 1672, 1813, 1819, 1860, 1917, 1961, 1975, 1985, 2038, 2087, 2141, 2150 and

2196.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 4, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 585: A bill for an act relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms; proposing new law coded as Minnesota Statutes, chapter 324.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1325: A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1320.

H.F. No. 1404: A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

Referred to the Committee on Agriculture and Natural Resources.

H.F. No. 1418: A bill for an act relating to the town of Blue Hill; allowing the town to exercise certain powers.

Referred to the Committee on Local and Urban Government.

H.F. No. 950: A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Redevelopment Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 121.

Referred to the Committee on Governmental Operations.

H.F. No. 1347: A bill for an act relating to crimes; prohibiting the concealing, obtaining, or retaining of a child in violation of the parental, custodial, or visitation rights of another; imposing penalties; providing for notification in custody or visitation orders of the child abduction laws; requiring violations of the child abduction law to be reported under the child abuse reporting law; amending Minnesota Statutes 1982, section 609.26; proposing new law coded in Minnesota Statutes, chapter 518.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1318.

H.F. No. 1459: A bill for an act relating to taxation; providing for the imposition of an aggregate material tax in Sibley County; amending Minne-

sota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1503: A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1438, now on General Orders.

H.F. No. 2180: A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

Referred to the Committee on Transportation.

H.F. No. 1670: A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1733, now on General Orders.

H.F. No. 1706: A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

Referred to the Committee on Energy and Housing.

H.F. No. 1774: A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Referred to the Committee on Transportation.

H.F. No. 1912: A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1729, now on General Orders.

H.F. No. 1915: A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.15; and 329.16.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1877.

H.F. No. 1918: A bill for an act relating to elections; restricting the eligibility for appointment as election judge; amending Minnesota Statutes 1983 Supplement, section 204B.19, subdivision 2.

Referred to the Committee on Elections and Ethics.

H.F. No. 1936: A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123,32, subdivision 4.

Referred to the Committee on Rules and Administration for comparison

with S.F. No. 1796.

H.F. No. 1998: A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1872, now on General Orders.

H.F. No. 735: A bill for an act relating to insurance; providing for certain unfair or deceptive acts or practices; prescribing penalties; amending Minnesota Statutes 1982, section 72A.20, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 72A.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1528: A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; increasing the interest rate on refunds; making technical corrections and administrative changes to income tax, inheritance tax, and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 270A.07, subdivision 5; 271.12; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, and 3f; 290.095, subdivision 11; 290.17, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.92, subdivision 11; 290.931, subdivision 1; 290.936; and 290A.07, subdivision 2a; 291.18; 294.09, subdivision 1; 298.09, subdivision 4; 299.05; and 600.21; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.50, subdivision 1; 290.92, subdivisions 13 and 26; 290.93, subdivisions 9 and 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; 297A.35, subdivision 1; and Laws 1980, chapter 439. section 36; proposing new law coded in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1982, sections 290.011; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, section 290A.16; and Laws 1983, chapter 207, section 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1516, now on General Orders.

H.F. No. 1338: A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, section 123.32, subdivision 7; and Minnesota Statutes 1983 Supplement, section 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01 to 206.23; and Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19, subdivision 1; and 206.21, subdivision 3.

Referred to the Committee on Rules and Administration for comparison

with S.F. No. 1809, now on General Orders.

H.F. No. 1371: A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1325.

H.F. No. 1672: A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

Referred to the Committee on Governmental Operations.

H.F. No. 1813: A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1793, now on General Orders.

H.F. No. 1819: A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2002.

H.F. No. 1860: A bill for an act relating to horse racing; providing for the distribution of proceeds from the Minnesota Breeders Fund; amending Minnesota Statutes 1983 Supplement, section 240.18.

Referred to the Committee on Public Utilities and State Regulated Industries.

H.F. No. 1917: A bill for an act relating to elections; limiting membership on a county canvassing board; amending Minnesota Statutes 1982, section 204C.31, subdivision 1.

Referred to the Committee on Elections and Ethics.

H.F. No. 1961: A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

Referred to the Committee on Governmental Operations.

H.F. No. 1975: A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; discontinuing a trunk highway route; amending Minnesota Statutes 1982, section 161.16, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1912.

H.F. No. 1985: A bill for an act relating to occupations and professions;

regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1866.

H.F. No. 2038: A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

Referred to the Committee on Local and Urban Government.

H.F. No. 2087: A bill for an act relating to health; requiring disclosure of certain medical data or medical information for the purpose of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; and 254A.09.

Referred to the Committee on Judiciary.

H.F. No. 2141: A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1805, now on General Orders.

H.F. No. 2150: A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

Referred to the Committee on Judiciary.

H.F. No. 2196: A bill for an act relating to local government; providing for the conveyance of certain tax forfeited land in Morrison County.

Referred to the Committee on Agriculture and Natural Resources.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1417, 1978, 2017, 1683 and reports pertaining to appointments. The motion prevailed.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 1995: A bill for an act relating to municipal housing; letting of contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, section 462.461, subdivisions 1, 2, and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 31, delete "574.21" and insert "574.26"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was re-

referred

S.F. No. 1457: A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1982, sections 116J.88, subdivision 7a; 116J.90, by adding subdivisions; Minnesota Statutes 1983 Supplement, sections 116J.88, subdivision 7; and 116J.90, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 116J.88, subdivision 7, is amended to read:
- Subd. 7. [BUSINESS LOAN.] "Business loan" means a loan, other than a pollution control loan; or farm loan to the owner of an eligible small business for the financing of (a) capital expenditures, on an interim or long-term basis, for the acquisition or improvement of land, acquisition, construction, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business; or (b) short-term costs of conducting an eligible small business.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 116J.88, subdivision 7a, is amended to read:
- Subd. 7a. [FARM LOAN.] "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction, rehabilitation, or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business, or for the acquisition of livestock for breeding purposes.
- Sec. 3. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:
- Subd. 7b. [FARM BUSINESS.] "Farm business" means a person, partnership, corporation, or other entity that is engaged or will engage in farming, livestock or agricultural production or processing, or storage of agricultural products, which qualifies as an eligible small business.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 3, is amended to read:
- Subd. 3. [DIRECT BUSINESS AND FARM LOANS; LIMITATIONS.] The authority may make business loans or farm loans not exceeding \$100,000 in principal amount, at interest rates and subject to terms determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note payable in whole or part from the repayments of principal and interest on the loan. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them. The limitation on loan amounts in this subdivision does not apply to energy loans and loans insured under sections 93 and 94.

- Sec. 5. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3a. [FARM LOANS; PUBLIC PURPOSE.] The encouragement of the investment of private capital in the agricultural sector through the use of financing to provide farm loans at interest rates lower than those available in conventional farm credit markets is a public purpose and is necessary to protect the health, safety, and general welfare of the people of this state.
- Sec. 6. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3b. [FARM LOANS; AUTHORITY.] The authority may make or purchase or participate with financial institutions in making or purchasing farm loans not exceeding \$100,000 in principal amount, upon the conditions described in this section, and may enter into commitments for farm loans, on the terms and conditions and with the security determined by the authority. The loans may be made or purchased only from the proceeds of bonds or notes issued pursuant to subdivision 3c. For this purpose, the authority may exercise all powers conferred on it by sections 116J.88 to 116J.91 with respect to business loans. Loans and loan commitments must be originated and serviced by one or more financial institutions authorized to transact that business in this state. The authority shall make or participate in farm loans only when the authority determines that financing is not otherwise available, in whole or in part, from private lenders on equivalent terms and conditions.
- Sec. 7. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3c. [FARM LOANS; BONDS AND NOTES.] The authority may issue its bonds or notes to provide money for the purposes specified in subdivision 3b, which are payable in whole or in part from repayments of principal and interest on farm loans. For this purpose, the authority may exercise all powers conferred upon it by sections 116J.88 to 116J.91 with respect to bonds or notes to be issued to provide money for business loans. The principal amount of bonds and notes issued and outstanding under this subdivision at any time, computed as specified in section 116J.91, subdivision 11, may not exceed \$30,000,000. This authorization is in addition to the authorization contained in section 116J.91, subdivision 11. Sections 116J.88 to 116J.91 are applicable to bonds and notes covered by this subdivision and the application of the proceeds from the bonds and notes.

Sec. 8. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 6, after "116J.88," insert "by adding a" and delete "7a"

Page 1, line 8, delete "subdivision 7" and insert "subdivisions 7 and 7a"

Page 1, line 9, delete "subdivisions 1 and" and insert "subdivision"

And when so amended the bill be re-referred to the Committee on Finance without recommendation. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was re-

ferred

S.F. No. 1683: A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "The Legislature finds and"

Page 1, delete lines 9 and 10

Page 1, line 11, delete "Therefore,"

Delete page 1, line 23 to page 2, line 10 and insert:

"Subd. 2. [EXCEPTION.] Subdivision 1 does not preclude a statutory or home rule charter city, county, or town from controlling rents on private residential property to the extent that the city, county, or town has the power to adopt an ordinance, charter amendment, or law to control these rents if the ordinance, charter amendment, or law that controls rents is approved in a general election. Subdivision 1 does not limit any power or authority of the voters of a statutory or home rule charter city, county, or town to petition for an ordinance or charter amendment to control rents on private residential property to the extent that the power or authority is otherwise provided for by law, and if the ordinance or charter amendment is approved in a general election. This subdivision does not grant any additional power or authority to the citizens of a statutory or home rule charter city, county, or town to vote on any question beyond that contained in other law.

Subdivision 1 does not apply to any statutory city unless the citizens of the statutory city have the authority to vote on the issue of rent control granted by other law."

And when so amended the bill do pass. Ms. Peterson, D.C. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1877: A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.14; 329.15; and 330.10, subdivision 2; repealing Minnesota Statutes 1982, sections 329.10; 329.11; 329.12; 329.13; 329.16; and 329.17, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 329.15, is amended to read:

329.15 [MUNICIPALITIES MAY REGULATE.]

Nothing in sections 329.10 to 329.17 contained shall be construed as prohibiting, or in any way limiting or interfering with, the right of any statutory

or home rule charter city, or other municipal corporation or governmental subdivision of the state, town to regulate or license the carrying on within such municipality the city or town the business of a transient merchant in any case where authority has been, or shall hereafter be, conferred upon it so to do, but. The requirements of sections 329.10 to 329.17 shall be in addition thereto to any regulation by the city or town except that if the city or town enacts a licensing requirement a transient merchant shall not be required to obtain a license under section 329.11.

Sec. 2. Minnesota Statutes 1982, section 329.16, is amended to read:

329.16 [DISPOSAL OF FEES.]

All license fees collected under sections 329.10 to 329.17 section 329.11 shall be paid into the general revenue fund of the county.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the date following final enactment."

Amend the title as follows:

Page 1, line 4, delete "329.14;"

Page 1, line 5, delete everything after "and"

Page 1, delete lines 6 and 7 and insert "329.16."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1898: A bill for an act relating to the iron range resources and rehabilitation board; allowing school districts to levy taxes to repay loans made by the northeast Minnesota economic protection trust; clarifying that the board may lease personal property; removing certain dates; providing that earnings from the investment of funds in the iron range resources and rehabilitation board account are credited to the account; clarifying the limitation on administrative costs; transferring certain unexpended funds to the northeast Minnesota economic protection trust; amending Minnesota Statutes 1982, sections 298.22, subdivision 5; 298.223; Minnesota Statutes 1983 Supplement, sections 275.125, subdivisions 11a, 11b, and 12a; 298.28, subdivision 1; 298.296, subdivision 2; Laws 1982, Second Special Session chapter 2, sections 12, as amended; and 14, as amended.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1780: A bill for an act relating to the town of Cannon Falls; authorizing the establishment of detached banking facilities.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1531: A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2030: A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "(a)"

Page 2, delete lines 2 to 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1916: A bill for an act relating to public welfare; establishing payments for respite care of mentally retarded, epileptic, or emotionally handicapped children; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, strike "is mentally"

Page 1, line 27, strike "retarded, epileptic or emotionally handicapped" and insert "has mental retardation, epilepsy, or a physical or emotional handicap"

Page 2, line 23, before "In" insert "Parents who have more than one child in out of home care shall not be required to pay more than the amount for one child in out of home care."

Page 2, delete line 24

Page 2, line 25, delete "adjusted gross" and after "as" delete "shown on their" and insert "defined in section 290A.03, subdivision 3"

Page 2, line 26, delete "most recent federal income tax return, whichever is less"

Page 2, line 33, after the period, insert "It is the responsibility of the

county to collect the fee directly from the parent and child."

Page 3, line 26, delete "with mental" and insert "whose eligibility for medical assistance was determined without deeming of the parents' resources and income"

Page 3, delete line 27

Page 3, line 28, delete "care"

Page 3, line 28, delete "section" and insert "a federal medical assistance waiver"

Page 3, line 29, delete "256B.50"

Amend the title as follows:

Page 1, line 3, after "of" insert "children who are"

Page 1, line 3, delete "epileptic, or" and insert "have epilepsy, or are"

Page 1, line 4, delete "children"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2065: A bill for an act relating to health; changing certain hospital cost reporting requirements; adding reporting requirements for outpatient surgical centers; deleting hospital rate review requirements; adding provisions for fines; deleting obsolete language; amending Minnesota Statutes 1982, sections 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; and 144.703; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, line 29, delete "October 1" and insert "January 15"

Page 7, line 29, after "shall" insert ", in consultation with the state planning agency, study and"

Page 8, line 1, delete "a mechanism" and insert "mechanisms" and after "prospectively" insert "control increases in"

Page 8, line 2, delete "limit"

Page 9, line 3, delete everything after "acquisition"

Page 9, line 4, delete "diagnostic or therapeutic equipment,"

Page 9, line 5, delete the colon

Page 9, delete lines 6 to 8

Page 9, line 9, delete "(b)"

Page 9, line 10, after the semicolon, insert "and"

Page 9, line 11, delete the semicolon and insert a period

Page 9, delete lines 12 to 24 and insert:

"The provisions of this section do not apply to a hospital, clinic, or other health care facility that is a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its patients from outside the state of Minnesota.

Subd. 2. [EMERGENCY WAIVER.] The commissioner will grant an emergency waiver from the provisions of this section if the need for the project is a result of fire, tornado, flood, storm damage or other similar disaster, if adequate health care facilities are not available for the people who previously used the applicant facility and if the request for an emergency waiver is limited in nature and scope only to those repairs necessitated by the natural disasters."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "imposing a moratorium on hospital bed expansion;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1980: A bill for an act relating to corrections; providing for costs of transporting convicted persons and children adjudicated delinquent to correctional facilities; amending Minnesota Statutes 1983 Supplement, section 243.17, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1417: A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statments; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; granting the commissioner authority to adopt rules regarding unreasonable expenses; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.081; 62A.14; 62A.147; 62A.149; 62D.02, subdivisions 5, 6, and 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, 11, and by adding a subdivision; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.20; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.152; 62A.17, subdivisions 1 and 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 9, after "replacing" insert "or remaining in place after"
- Page 2, line 10, after "plans" insert "have been discontinued"
- Page 2, line 11, before "plan" insert "discontinued" and after "plan" insert "or plans"
- Page 2, line 11, after "which" delete "the" and insert "other persons in the group covered by that carrier are entitled"
 - Page 2, line 12, delete "person was entitled under the plan"
 - Page 4, line 15, after "for" insert "covered and authorized"
 - Pages 4 and 5, delete section 5
 - Pages 7 to 10, delete sections 8 to 10
 - Page 10, line 36, delete "covered" and insert "former"
 - Page 11, line 3, before "employee's" insert "former"
 - Page 11, line 6, before "Enrollees" insert "Effective January 1, 1985,"
 - Page 11, line 8, delete "shall" and insert "may"
- Page 11, line 8, after "option" insert ", to be arranged by the health maintenance organization,"
 - Page 11, line 9, delete "and" and insert "or"
- Page 11, line 10, after "3" insert ", if an arrangement with an insurer can be made by the health maintenance organization"
 - Page 11, delete sections 12 and 13
- Page 12, line 7, after the second comma, insert "length of enrollment in the plan,"
 - Page 12, delete sections 15 and 16 and insert:
- "Sec. 9. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:
- Subd. 12. "Participating entity" means any person, provider, company or other organization with which the health maintenance organization has contracts or other arrangements, including any of the following:

- (1) a health care facility licensed under sections 144.50 to 144.56, a nursing home licensed under sections 144A.02 to 144A.11, and any other health care facility otherwise licensed under the laws of this state or registered with the commissioner of health;
- (2) a health care professional licensed under health related licensing boards, as defined in section 214.01, subdivision 2, and any other health care professional otherwise licensed under the laws of this state or registered with the commissioner of health;
- (3) a group, professional corporation or other organization which provides the services of individuals identified in clause (2), including but not limited to a medical clinic, a medical group, a home health care agency, an urgent care center, and an emergent care center;
- (4) any person or organization providing administrative, financial or management services to the health maintenance organization if the total payment for all services exceeds three percent of the gross revenues of the health maintenance organization.
- "Participating entity" does not include (a) employees of the health maintenance organization, or (b) another health maintenance organization with which a health maintenance organization has made contractual arrangements.
- Sec. 10. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:
 - Subd. 13. "Major participating entity" shall include the following:
- (1) a participating entity that receives from the health maintenance organization as compensation for services a sum greater than 30 percent of the health maintenance organization's gross revenues;
- (2) a participating entity providing administrative, financial or management services to the health maintenance organization, if the total payment for all services exceeds three percent of the gross revenue of the health maintenance organization;
- (3) a participating entity that nominates or appoints 30 percent or more of the board of directors of the health maintenance organization.
- Sec. 11. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:
- Subd. 14. "Separate health services contracts" means prepaid dental services contracts and other similar types of prepaid health services agreements in which services are provided by participating entities or employees of the health maintenance organization, but does not include contracts subject to chapter 62A or 62C."
 - Page 14, line 8, delete "utilized in"
 - Page 14, line 10, delete everything after the period
 - Page 14, line 11, delete "are" and insert "shall be"
- Page 14, line 12, delete "including, but not limited to, rules" and insert "in regard to the services to be performed under the contract"

Page 14, line 13, delete "governing the length of contracts" and after "which" insert "payment for services"

Page 14, line 14, delete "consideration"

Page 14, after line 17, insert:

"(g) a copy of each contract binding major participating entities and the health maintenance organization. Contract information filed with the commissioner shall be confidential and subject to the provisions of section 13.37, subdivision 1, clause (b), upon the request of the health maintenance organization.

Upon initial filing and thereafter on or before the anniversary of the implementation of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable expense under section 62D.19. The commissioner shall notify a major participating entity within 30 days if a contract may be disapproved.

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a document detailing the actual expenses incurred by the major participating entity in performing the contract in the proceeding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance. The contract shall be submitted for a reasonableness determination under section 62D.19.

Contracts implemented prior to the effective date of this subdivision shall be filed within 90 days of such effective date. Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual projected and actual expenses and revenues which will be subject to review in the manner prescribed by this subdivision."

Page 14, line 20, after "separate" insert "health"

Page 15, after line 16, insert:

"(q) a copy of any agreement between the health maintenance organization and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage or any other type of coverage for potential costs of health services, as authorized in section 62D.04, subdivision 1, clause (f), and section 62D.13; and"

Reletter the clauses in sequence

Page 16, line 20, delete "19" and insert "14"

Page 18, line 13, after the period, insert "If a health maintenance organization does not have the required reserves or its reserves are not properly computed, operations shall be adjusted to correct the condition, according to a written plan proposed by the health maintenance organization and approved by the commissioner. If a health maintenance organization does not propose

measures to correct its reserves or surplus within a reasonable time, if a corporation violates the plan which has been approved, or if there is evidence that an improper reserve or surplus status cannot be corrected within a reasonable time, the commissioner of commerce may take action against the corporation under chapter 60B."

Page 20, line 4, delete "a multiple equal to the" and insert "\$400,000 not including organization-related land, buildings, and equipment, for each additional organization, for guaranteeing organizations that have been in operation for at least five years, and by \$2,000,000 including organization-related land, buildings, and equipment, for each additional organization, for guaranteeing organizations that have been in operation for at least ten years"

Page 20, line 5, delete "number of these organizations"

Page 21, line 16, delete "and separate health service contract"

Page 21, line 29, delete "or separate health service"

Page 21, line 30, delete "contract"

Page 22, line 8, delete the comma and insert "and"

Page 22, line 9, delete "which" and insert "whom"

Page 22, line 10, delete ", and a statement of consumer rights"

Page 22, line 11, delete the new language

Page 22, after line 11, insert:

- "(c) On the cover page of the evidence of coverage, a clear and complete statement of enrollees' rights as consumers, including but not limited to a description of each of the following:
- (1) Based upon the delivery system of each health maintenance organization, a statement which describes any health care professional as defined in section 145.61, whose services may be available only by referral of the health maintenance organization's participating staff;
- (2) the right to available and accessible services which can be secured as promptly as appropriate for the symptoms presented, in a manner which assures continuity and, when medically necessary, the right to emergency services available 24 hours a day and 7 days a week;
- (3) the consumer's right to be informed of his or her health problems, and to receive information regarding treatment alternatives and risks which is sufficient to assure informed choice;
 - (4) the right to refuse treatment;
- (5) the right to privacy of medical and financial records maintained by the health maintenance organization and its health care providers, in accordance with existing law;
- (6) the right to file a grievance with the health maintenance organization and the commissioner when experiencing a problem with the health maintenance organization or its health care providers;
- (7) the right to arbitrate or litigate complaints when dissatisfied with the health maintenance organization's determination regarding a grievance;

- (8) the right of the enrollee and his or her dependents to continue group coverage in the event the enrollee is terminated or laid off from employment, provided that the cost of such coverage is paid by the enrollee and furthermore, the right of the enrollee to convert to an individual contract at the end of the continuation period;
- (9) the right for notification of enrollees regarding the cancellation or termination of contracts with participating primary care professionals, and the right to choose from among remaining participating primary care professionals;
- (10) the right to cancel an individual health maintenance contract within 10 days of its receipt and to have premiums paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual is responsible for repaying the health maintenance organization for any services rendered or claims paid by the health maintenance organization during the 10 days; and
- (11) the right to a grace period of 31 days for the payment of each premium for an individual health maintenance contract falling due after the first premium during which period the contract shall continue in force.
- Sec. 18. Minnesota Statutes 1982, section 62D.07, is amended by adding a subdivision to read:
- Subd. 4. A grace period of 31 days shall be granted for payment of each premium for an individual health maintenance contract falling due after the first premium, during which period the contract shall continue in force.
- Sec. 19. Minnesota Statutes 1982, section 62D.07, is amended by adding a subdivision to read:
- Subd. 5. Any person entering into an individual health maintenance contract may cancel the contract within ten days of its receipt and have the premium paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual is responsible for repaying the health maintenance organization for any services rendered or claims paid by the health maintenance organization during the ten days."
- Page 22, line 19, reinstate the striken "(e)," and delete "(h)" and insert "(g)"
 - Page 22, line 19, reinstate the stricken "(j)," and delete "and"
 - Page 22, line 19, after "(p)" insert ", (q) and (r)"
 - Page 24, line 18, before "enrollees" insert "affected"
- Page 24, line 20, after "discontinuance" insert ", provided that cancellation or discontinuance of a referral provider need not be reported to enrollees"
 - Page 24, line 21, before "enrollees" insert "affected"
 - Page 24, line 23, delete "a" and insert "an automatic"
 - Page 24, after line 30, insert:
- "Subdivision 1. Any written marketing materials which may be directed toward potential enrollees and which includes a summary of benefits pro-

vided by the health maintenance organization shall include a statement of consumer rights as described in section 62D.07, subdivision 3(c);

Subd. 2. The application for coverage by the health maintenance organization shall include, on the same page as the applicant's signature, the statement of consumer rights as described in section 62D.07, subdivision 3, paragraph (c)."

Page 24, line 31, before "Every" insert "Subd. 3."

Page 25, line 4, delete everything after "paragraph" and insert "(c)"

Page 25, line 5, delete the new language

Page 25, line 15, after "accept" insert "all otherwise eligible"

Page 25, line 17, delete "matter" and insert "manner"

Page 27, after line 13, insert:

"Sec. 29. [62D. 102] [MINIMUM BENEFITS.]

In addition to minimum requirements established in other sections, all group health maintenance contracts providing benefits for mental or nervous disorder treatments in a hospital shall also provide coverage for at least ten hours of treatment over a 12-month period with a copayment not to exceed the greater of \$10 or 20 percent of the applicable usual and customary charge for mental or nervous disorder consultation, diagnosis and treatment services delivered while the enrollee is not a bed patient in a hospital.

Sec. 30. [62D.103] [SECOND OPINION RELATED TO CHEMICAL DEPENDENCY AND MENTAL HEALTH.]

A health maintenance organization shall promptly evaluate the treatment needs of any enrollee who is seeking treatment for a problem related to chemical dependency or mental health conditions. In the event that the health maintenance organization or a participating provider determines that no type of structured treatment is necessary, the enrollee shall be immediately entitled to a second opinion paid for by the health maintenance organization, by a health care professional qualified in diagnosis and treatment of the problem and not affiliated with the health maintenance organization. The health maintenance organization or participating provider shall consider the second opinion but is not obligated to accept the conclusion of the second opinion. The health maintenance organization or participating provider shall document its consideration of the second opinion."

Page 28, line 10, after "9." insert "All net earnings of the health maintenance organization shall be devoted to the nonprofit purposes of the health maintenance organization in providing comprehensive health care."

Page 28, line 13, strike "authorized expenses of a health"

Page 28, lines 14 to 16, strike the old language

Page 28, lines 23 to 31, strike the old language and delete the new language

Page 28, line 32, strike "providing comprehensive" and insert "maintenance organizations may make payments to providers or other persons based upon the efficient provision of services or as incentives to provide quality"

Page 28, after line 35, insert:

"Sec. 34. Minnesota Statutes 1982, section 62D.12, is amended by adding a subdivision to read:

Subd. 9a. Authorized expenses of a health maintenance organization shall include:

- (1) cash rebates to enrollees, or to persons who have made payments on behalf of enrollees;
- (2) direct payments to enrollees or providers as provided in subdivision 4, clause (b); or
 - (3) free or reduced cost health service to enrollees."

Page 29, delete section 36

Page 31, line 9, strike "confidential" and insert "private as defined in chapter 13"

Page 31, line 11, strike "that it may be"

Page 31, line 12, after "62D.29" insert ", the commissioner and his or her designee shall have access to the above data or information but the data removed from the health maintenance organization or participating entity shall not identify any particular patient or client by name or contain any other unique personal identifier"

Page 31, line 17, after the period, insert "In any case involving a suspected violation of law in which access to health data maintained by the health maintenance organization or participating entity is necessary, the commissioner and his or her agents, while maintaining the privacy rights of individuals and families, shall be permitted to obtain data that identifies any particular patient or client by name. If, as a result of the investigation, the commissioner deems it appropriate, the commissioner shall initiate any legal action or refer the matter to the appropriate legal authority and the commissioner may disseminate whatever data are necessary to fulfill his or her responsibilities."

Page 31, after line 28, insert:

"Subd. 7. Failure to provide information necessary for conducting examinations pursuant to this section shall automatically result in the levy of a \$200 fine for each day the information is not provided. A fine levied under this subdivision shall be subject to judicial review as provided by chapter 14."

Page 32, line 32, delete "sections" and insert "statute or administrative rule"

Page 33, line 34, after "no" insert "automatic"

Page 34, line 1, after the period, insert "Written"

Page 34, lines 1 and 2, delete "made through briefs"

Page 34, line 4, delete "briefs" and insert "written arguments"

Page 34, line 18, before "No" insert "Subdivision 1."

Page 34, line 21, reinstate the stricken "insurance" and delete "health"

Page 34, lines 23 to 29, delete the new language

Page 34, after line 29, insert:

- "Subd. 2. [FACTORS.] In an effort to achieve the stated purposes of sections 62D.01 to 62D.29; in order to safeguard the underlying nonprofit mode of health maintenance organizations; and to ensure that the payment of health maintenance organization moneys to major participating entities results in a corresponding benefit to health maintenance enrollees, the commissioner of commerce shall give due consideration to the following factors when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity:
- (1) the expense incurred or paid by other health maintenance organizations and other health care delivery systems for the same or similar service or goods;
- (2) the health maintenance organization's ability, at the time of making the agreement, to contract with other entities offering substantially similar service at a substantially lower cost to the organization;
- (3) the impact of the expense incurred on the financial solvency of the health maintenance organization;
- (4) all pertinent cost and service data obtained or obtainable by the commissioner of health from the health maintenance organization pursuant to sections 62D.03, 62D.04, 62D.08, 62D.12, and 62D.14 of the act; and
- (5) such other information and information collection techniques as the commissioner may employ which show the real cost or fair market value of such service or goods."

Pages 34 and 35, delete section 43

Page 35, after line 36, insert:

"Sec. 44. [INTERAGENCY AGREEMENT.]

In order to implement the provisions of sections 62D.01 to 62D.30, the commissioner of health and commissioner of commerce shall enter into an agreement for coordinated enforcement of laws pertaining to health maintenance organizations. The agreement shall contain procedures whereby each commissioner, to the extent resources are available, shall provide technical assistance to the other in those policy matters which each commissioner has unique, specialized expertise."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, delete everything after the semicolon

Page 1, delete line 21

Page 1, line 25, delete "62A.081;" and delete "62A.149;"

Page 1, line 26, delete "subdivisions 5, 6, and" and insert "subdivision"

Page 1, line 28, after "and 3" insert ", and by adding subdivisions"

Page 1, line 31, delete "11," and delete "a"

Page 1, line 32, delete the first "subdivision" and insert "subdivisions"

- Page 1, line 33, delete "62D.20;"
- Page 1, line 35, delete "62A.152;"
- Page 1, line 36, delete "subdivisions 1 and" and insert "subdivision"

And when so amended the bill do pass. Mr. Wegscheid questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

- Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred
- S.F. No. 1940: A bill for an act relating to alcoholic beverages; allowing licensed premises to remain open after the hour sales of alcoholic beverages must cease; amending Minnesota Statutes 1982, section 340.14, subdivision 5; Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 340.034, is amended by adding a subdivision to read:
- "Subd. 4. [CLOSING HOURS.] (a) A licensed on-sale premise otherwise prohibited from remaining open may remain open until 3:00 a.m. on any day when sales of nonintoxicating malt liquor are otherwise permitted, provided that a permit is obtained pursuant to this subdivision and no nonintoxicating malt liquor is sold or consumed after the hour required under subdivision 1.
- (b) A political subdivision may issue a permit to allow an establishment to remain open after hours, as allowed by this subdivision, provided that no permit may be issued to an establishment who has, within the preceding three years, been found to have sold nonintoxicating malt liquor after the hours set forth under subdivision 1. A political subdivision may revoke a permit issued under this subdivision if nonintoxicating malt liquor is sold after the hours set forth under subdivision 1. The fee for the permit shall not exceed \$25 per year.
 - (c) This subdivision is repealed effective June 30, 1986.
- Sec. 2. Minnesota Statutes 1982, section 340.14, is amended by adding a subdivision to read:
- Subd. 1b. [CLOSING HOURS.] (a) A licensed on-sale premise otherwise prohibited from remaining open may remain open until 3:00 a.m. on any day when sales of intoxicating liquor are otherwise permitted, provided that a permit is obtained pursuant to this subdivision and no intoxicating liquor is sold or consumed after the hour required under subdivisions 1 and 5.
- (b) A political subdivision may issue a permit to allow an establishment to remain open after hours, as allowed by this subdivision, provided that no permit may be issued to an establishment who has, within the preceding three years, been found to have sold intoxicating liquor after the hours set forth under subdivisions I and 5. A political subdivision may revoke a permit

under this subdivision if intoxicating liquor is sold after the hours set forth under subdivisions 1 and 5. The fee for the permit shall not exceed \$25.

(c) This subdivision is repealed effective June 30, 1986."

Amend the title as follows:

- Page 1, line 5, delete "section" and insert "sections 340.034, by adding a subdivision; and"
- Page 1, line 5, delete "subdivision 5;" and insert "by adding a subdivision."

Page 1, delete lines 6 and 7

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1968; A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was rereferred
- S.F. No. 1912: A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; amending Minnesota Statutes 1982, section 161.16, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, after "highway" insert "unless the commissioner, the road authority originally charged with the care of the trunk highway and the road authority of the political subdivision in which the portion is located agree on another disposition, in which case the reversion is as provided in the agreement"

Page 2, after line 22, insert:

- "Sec. 2. Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4, is amended to read:
- Subd. 4. [PURPOSES.] Money apportioned to a county from the town road account must be distributed to the treasurer of each town within the county, according to a distribution formula adopted by the county board. The formula must take into account each town's levy for road and bridge purposes, its population and town road mileage, and other factors as the county board deems advisable in the interests of achieving equity among the towns. Distribution of town road funds to the treasurer of the towns must be made within 30 days of the receipt of the funds by the county treasurer. Distribution of

funds to town treasurers in a county which has not adopted a distribution formula under this subdivision must be made according to a formula prescribed by the commissioner by rule. A formula adopted by a county board or by the commissioner must provide that a town, in order to be eligible for distribution of funds from the town road account in a calendar year, must have levied in the previous year for road and bridge purposes at least two mills on the dollar of the assessed value of the town.

Money distributed to a town under this subdivision may be expended by the town only for the construction and, reconstruction, and maintenance of town roads within the town.

Sec. 3. [TRUNK HIGHWAY SYSTEM; REMOVAL OF ROUTE NO. 236.]

Subdivision 1. [ROUTE DISCONTINUED.] Route No. 236 as contained and described in section 161.115 is discontinued and removed from the trunk highway system.

- Subd. 2. [REVISOR INSTRUCTION.] In compiling the Minnesota Statutes, the revisor of statutes shall delete the route specified in subdivision 1."
- Page 2, line 24, delete "This act is" and insert "Sections 1 and 2 are" and after the period, insert "Section 3 is effective upon the regrading and surfacing of the roadway at which time it shall become a part of the county road system of Traverse County."

Renumber the sections in sequence

Amend the title as follows:

- Page 1, line 4, after the semicolon, insert "allowing town road funds to be used for maintenance; discontinuing a trunk highway route;"
- Page 1, line 5, before the period, insert "; and Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 1340: A bill for an act relating to transportation; accelerating the phased transfer of the motor vehicle excise tax from the general fund to the highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. [174.231] [TRANSIT ASSISTANCE PROGRAM.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A transit assistance program is established to provide transit assistance within the state. The commissioner shall provide financial assistance from the fund created in subdivision 2 to eligible recipients for transit service activities as provided in

this section.

- Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] A transit assistance fund is created for the purpose of receiving money distributed under section 297B.09. The commissioner shall distribute 80 percent of the proceeds of the fund to recipients located in the metropolitan area and 20 percent to recipients located outside of the metropolitan area.
- Subd. 3. [ELIGIBLE RECIPIENTS.] A legislatively established public transit commission or authority, a county or statutory or home rule charter city operating, intending to operate, or providing financial assistance to a transit service, or a private operator of public transit is eligible for assistance under the program.
- Subd. 4. [ELIGIBLE SERVICES.] Transit services eligible for assistance under the program include but are not limited to:
 - (1) public transit;
 - (2) light rail transit;
 - (3) commuter van, car pool, ride share, and park and ride; and
 - (4) other services that further the purposes of section 174.21.
- Subd. 5. [ELIGIBLE ACTIVITIES.] Activities eligible for assistance under the program include but are not limited to:
 - (1) planning and engineering design for transit services;
- (2) capital assistance to purchase or refurbish transit vehicles, purchase rail lines and associated facilities, purchase rights-of-way, and other capital expenditures necessary to provide a transit service; and
 - (3) other assistance for public transit services.
- Subd. 6. [DISTRIBUTION OF CERTAIN PROCEEDS.] The commissioner shall distribute 100 percent of the proceeds made available for the metropolitan area in the fiscal year ending June 30, 1985, for the planning and engineering design for light rail transit."
 - Page 1, line 15, reinstate the stricken "July 1" and delete "January 1"
 - Page 1, line 16, strike "1985" and insert "1984"
 - Page 1, line 17, reinstate the stricken "June 30,"
- Page 1, line 18, delete "December 31," and strike "1987" and insert "1985"
 - Page 1, line 20, strike "1987" and insert "1985"
 - Page 1, line 21, strike "1989" and insert "1987"
- Page 1, line 23, strike "1989" and insert "1987" and strike "1991" and insert "1989"
 - Page 1, line 25, strike "1991" and insert "1989"
 - Page 2, line 5, after "fund" insert "created under section 1"
 - Page 2, line 6, reinstate the stricken "July 1" and delete "January 1"
 - Page 2, line 7, strike "1985" and insert "1984"

Page 2, line 8, reinstate the stricken "June 30,"

Page 2, line 9, delete "December 31," and strike "1987" and insert "1985"

Page 2, lines 13, 21, 29 and 36, strike "account"

Page 2, line 17, strike "1987" and insert "1985" and strike "1989" and insert "1987"

Page 2, line 25, strike "1989" and insert "1987" and strike "1991" and insert "1989"

Page 2, line 33, strike "1991" and insert "1989"

Page 3, after line 2, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections I and 2 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "establishing a transit assistance program;"

Page 1, line 6, before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 174"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 2018: A bill for an act relating to unemployment compensation; providing for an alternative method of determining credit weeks; raising the maximum contribution rate to eight percent except under certain circumstances; removing the contribution rate increase and decrease limitation; increasing an employer's experience ratio under certain circumstances; extending the emergency surcharge to repay interest on federal loans; tying the maximum weekly benefit amount to the balance in the unemployment compensation fund under certain circumstances; removing the limitation on the application of severance pay as it affects eligibility for benefits; changing certain conditions for requalifying for benefits; eliminating the split taxable wage base; amending Minnesota Statutes 1982, sections 268.04, subdivisions 24 and 30, and by adding a subdivision; 268.06, subdivision 8; 268.07, subdivision 2a; 268.071, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1983 Supplement, sections 268.06, subdivision 3a; 268.061, subdivisions 1 and 3; 268.07, subdivision 2; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; and 268.10, subdivision 2; repealing Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 2, is amended to read:
- Subd. 2. "Base period" means the period of 52 calendar weeks immediately preceding the first day of an individual's benefit year. However, if a claimant received weekly worker's compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States for more than seven weeks within the base period, or if a claimant, whose own serious illness caused a loss of credit weeks within the base period, received compensation due to the illness from some other source or under a law of this state other than chapter 176 or under a similar law of the United States for more than seven weeks within the base period, the claimant's base period shall be lengthened by the same number of weeks, but not to exceed 52 weeks, for which the claimant received the payments. No extended base period shall include wage eredits upon which benefits were established and paid with respect to a prior valid claim first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year. However, if during the last base period an individual received workers' compensation for temporary disability under chapter 176 or under similar law of the United States, or if an individual, whose own serious illness caused a loss of work for which the individual received compensation due to the illness from some other source or under a law of this state, other than chapter 176 or under a similar law of the United States, the individual's base period shall be lengthened to the extent stated as follows:
- (a) If an individual was compensated, as described above, for a loss of work of 7 through 13 weeks, the original base period shall be extended to include the first calendar quarter preceding the original base period; or
- (b) If an individual was compensated, as described above, for a loss of work of 20 through 26 weeks, the original base period shall be extended to include two calendar quarters preceding the base period; or
- (c) If an individual was compensated, as described above, for a loss of work from 33 through 39 weeks, the original base period shall be extended to include the first three calendar quarters preceding the base period; or
- (d) If an individual was compensated, as described above, for a loss of work from 46 through 52 weeks, the original base period shall be extended to include the first four quarters preceding the base period.

In no instance shall the base period be extended to include more than four additional calendar quarters.

No extended base period shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.

- Sec. 2. Minnesota Statutes 1982, section 268.04, subdivision 24, is amended to read:
- Subd. 24. "Valid claim" with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits and established eredit weeks during his base period sufficient to entitle him to benefits under section 268.07, subdivision 2.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 25, is amended to read:

- Subd. 25. [WAGES.] "Wages" means all remuneration for services, including commissions and bonuses, back pay as of the date of payment, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:
- (a) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds, for each calendar year, the greater of \$7,000 or that part of the remuneration which exceeds 60 percent of the average annual wage rounded to the nearest \$100 computed in accordance with the provisions of clause (f) \$10,400 for the calendar year 1985; \$10,700 for the calendar year 1986; \$11,000 for the calendar year 1987; and for each subsequent calendar year the amount of the previous year increased to the nearest \$100 by the percentage, rounded to the nearest tenth of one percent, by which the average annual wage computed under clause (f) exceeds the average annual wage for the immediately preceding calendar year, paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term "wages" as contained in the Federal Unemployment Tax Act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the Federal Unemployment Tax Act. For the purposes of this clause, the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;
- (b) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (1) retirement or (2) sickness or accident disability or (3) medical and hospitalization expenses in connection with sickness or accident disability, or (4) death, provided the employee has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;
- (c) The payment by an employer (without deduction from the remuneration of the employee) (1) of the tax imposed upon an employee under section 3101 of the federal Internal Revenue Code, or (2) of any payment required from an employee under a state unemployment compensation law, with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;

- (d) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;
- (e) Any payment made to, or on behalf of, an employee or his beneficiary (1) from or to a trust described in section 401(a) of the federal Internal Revenue Code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (2) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal Internal Revenue Code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal Internal Revenue Code;
- (f) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:
- (1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment;
- (2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

- Sec. 4. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:
- Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.
- Sec. 5. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:
- Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.
- Sec. 6. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:
- Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the total wage credits paid to the individual during that quarter are equal to or greater than the total wage credits paid to the individual during any other calendar quarter in the individual's base period.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2, is amended to read:
 - Subd. 2. [RATES.] Each employer shall pay contributions equal to two and

seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. Each employer who has an experience ratio of less than one tenth of one percent shall pay contributions on only the first \$8,000 in wages paid and wages overdue and delayed beyond the usual time of payment to each employee with respect to employment occurring during each ealendar year.

- Sec. 8. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a, is amended to read:
- Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:
- (a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.
- (b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding 7.5 percent the maximum rate specified in subdivision 8, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period

immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding 7.5 percent the maximum rate specified in subdivision 8, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

- Sec. 9. Minnesota Statutes 1982, section 268.06, subdivision 6, is amended to read:
- Subd. 6. [COMPUTATION OF EACH EMPLOYER'S EXPERIENCE RATIO.] The commissioner shall, for the calendar year 1966, and for each calendar year thereafter, compute an experience ratio for each employer whose account has been chargeable with benefits;
- (a) During the 36 consecutive calendar months immediately preceding July 1 of the preceding calendar year for calendar years up to December 31, 1983; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 36 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1 of the preceding calendar year. Such experience ratio shall be the quotient obtained by dividing 4 1/4 times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 36 consecutive calendar months ending on June 30 of the preceding calendar year, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31 of the preceding calendar year. Such experience ratio shall be computed to the nearest one-tenth of a percent.
- (b) During the 48 consecutive calendar months immediately preceding July 1, 1983 for the calendar year for 1984; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 48 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable

with benefits during at least the 12 consecutive calendar months immediately preceding July 1, 1983. Such experience ratio shall be the quotient obtained by dividing 1–1/4 times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 48 consecutive calendar months ending on June 30, 1983, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31, 1983. Such experience ratio shall be computed to the nearest one-tenth of a percent.

- (c) During the 60 consecutive calendar months immediately preceding July I of the preceding calendar year for 1985 and each year thereafter; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 60 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1 of the preceding calendar year. Such experience ratio shall be the quotient obtained by dividing 1-1/4 times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 60 consecutive calendar months ending on June 30 of the preceding calendar year for 1985 and each year thereafter, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31 of the preceding calendar year. Such experience ratio shall be computed to the nearest one-tenth of a percent.
- Sec. 10. Minnesota Statutes 1982, section 268.06, subdivision 8, is amended to read:
- Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (a) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate to, the employer's experience ratio, except that if the ratio for the current calendar year increases or decreases the experience ratio for the preceding calendar year by more than one and one half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter, the increase or decrease for the current year shall be limited to one and one half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1-1/2 percentage points for 1983 and each year thereafter. "Small business employer" for the purpose of this subdivision means an employer with an annual covered payroll of \$250,000 or less, or fewer than 20 employees in three of the four quarters ending June 30, of the previous calendar year and the solvency rate if applicable.
- (b) The minimum rate for all employers shall be one percent if the amount in the unemployment compensation fund is less than \$80,000,000 on June 30 of the preceding calendar year; or nine-tenths of one percent if the fund is more than \$80,000,000 but less than \$90,000,000; or eight tenths of one percent if the fund is more than \$90,000,000 but less than \$110,000,000; or seventenths of one percent if the fund is more than \$130,000,000; or six tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five tenths of one percent if the

fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than 7.5 percent.

- (c) A solvency rate for each employer shall be determined as follows:
- (1) All employers, except those making payments in lieu of contributions, shall be assessed a solvency rate of one-fourth of one percent for calendar year 1985 and for each year thereafter until the amount in the unemployment compenation fund is more than \$50,000,000 on April 1 in which year the solvency rate shall be assessed for only its first two calendar quarters.
- (2) Employers who have had benefits charged to their experience rating account during their applicable experience ratio period shall be assessed an additional solvency rate of three-tenths of one percent for calendar year 1985 and each year thereafter until such time that the amount in the unemployment compensation fund on April 1 of the preceding year is less than \$100,000,000, two-tenths of one percent if \$100,000,000 but less than \$200,000,000, and one-tenth of one percent if \$200,000,000 but less than \$300,000,000.
- (d) The maximum contribution rate shall be eight percent until the amount in the unemployment compensation fund on April 1 of the preceding calendar year is more than \$50,000,000 and shall be seven and one-half percent thereafter.
- (e) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. No employer first assigned an experience ratio in accordance with subdivision 6; shall have his contribution rate increased or decreased by more than one and one half percentage points for 1982; and 2-1/2 percentage points for 1983 and each year thereafter over the contribution rate assigned for the preceding calendar year in accordance with subdivision 3a, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1-1/2 percentage points for 1983 and each year thereafter.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 268.061, is amended to read:
- 268.061 [SURCHARGE; EMERGENCY INTEREST REPAYMENT FUND.]
- Subdivision 1. [AMOUNT.] (a) Each employer, except those making payments in lieu of contributions pursuant to section 268.06, subdivisions 25, 26, 27 and 28, shall pay an annual surcharge of ten percent of contributions paid or due and payable for the previous calendar years 1982 and 1983 year; except that the surcharge shall not apply to any calendar year if:
- (1) the amount in the unemployment compensation fund is \$50,000,000 or more on April 1 and on the immediately preceding December 31, September 30, June 30 and April 1; and
- (2) there were no outstanding Title XII advances or the Title XII interest obligations on the dates specified.

- (b) The commissioner shall notify employers of the contributions upon which the surcharge is based and the amount of surcharge payable no later than August 1, 1983, and August 1, 1984 of each calendar year. The surcharge for a taxable year 1982 shall be paid no later than August 31, 1983, and the surcharge for taxable year 1983 shall be paid no later than August 31, 1984.
- (c) Payments due under this subdivision are subject to the collection provisions of sections 268.16 and 268.161. The surcharges paid under this subdivision are not contributions for the purposes of section 268.06, subdivision 6. The commissioner may temporarily reduce the amount of surcharge imposed by this section when there are sufficient funds raised by the surcharge to make the interest payment required on federal funds advanced to the state under section 1202 of the Social Security Act.
- (d) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act.
- Subd. 2. [EMERGENCY INTEREST REPAYMENT FUND, CRE-ATION.] A special fund to be known as the emergency interest repayment fund is created in the state treasury. The special fund is separate and distinct from any fund or account created for any other purposes of sections 268.03 to 268.24. All collections from the surcharge shall be deposited in the special fund. All money in the special fund is appropriated to the commissioner to repay advances and to pay interest or principal accruing on funds advanced from the federal government pursuant to section 1202 of the Social Security Act, and shall not be used for any other obligation of the state. All money in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other special funds in the state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the emergency fund for the purposes of the fund.
- Subd. 3. [REPORT TO LEGISLATURE.] On January 1, 1984, and on January 1, 1985, The commissioner shall report to the legislature annually on the status of the outstanding funds advanced pursuant to section 1202 of the Social Security Act, including the interest charged on those funds. When all advanced funds and the interest charged on those funds have been repaid to the federal government, the commissioner shall recommend appropriate action by the legislature relating to the termination of the emergency interest repayment fund and the disposition of any money still in the fund.
- Sec. 12. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 2, is amended to read:
- Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned 15, or more, credit weeks within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during his benefit year as follows:
- (1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly

wage of such individual. The amount so computed if not a whole dollar shall be rounded down to the next lower dollar amount. (a) To establish a valid claim for unemployment insurance benefits, an individual must have:

- (1) wage credits in two or more calendar quarters of their base period;
- (2) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25 for claims effective prior to July 1, 1986, by 1.3 for claims effective subsequent to July 1, 1986, and prior to July 1, 1987, by 1.4 for claims effective subsequent to July 1, 1987, and prior to July 1, 1988, and by 1.5 for claims effective after July 1, 1988; and
- (3) for claims effective prior to July 1, 1986, high quarter wage credits of not less than \$1,170, and for claims effective subsequent to July 1, 1986, high quarter wage credits equivalent to 13 times 30 percent of the average weekly wage, rounded to the next lower dollar. The average weekly wage shall be determined in accordance with paragraph (d).
- (b) Effective July 1, 1986, an individual who is unable to establish a valid claim under paragraph (a), clauses (1) to (3), may establish a valid claim if the individual has:
- (1) wage credits in 30 or more weeks, with employment in each week equaling at least 20 hours; and
- (2) wage credits of not less than \$871 or more than the amount determined in paragraph (a), clause (3).
- (c) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during his benefit year shall equal 1/26 of the individual's high quarter wage credits, rounded to the next lower whole dollar; except that, the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979 shall be 66-2/3 percent of the average weekly wage, except as provided in clause (d) as determined under this paragraph. On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:
- (a) (1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.
- (b) (2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.
- (e) (3) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

- (d) Notwithstanding the provisions of paragraph (c), the maximum weekly benefit for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1988, shall be as follows:
 - (d) (1) The maximum weekly benefit amount for claims for benefits which

establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1983, shall be \$184.

- (2) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983, and prior to July 1, 1984, shall be \$191.
- (3) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198.
- (4) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1985, and prior to July 1, 1986, shall be \$208.
- (5) The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1986, and prior to July 1, 1987, shall be \$228.
- (6) The maximum benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1987, and prior to July 1, 1988, shall be \$258.
- (2) (e) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times his weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times his weekly benefit amount. Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of his total base period wage credits rounded to the next lower dollar not to exceed 26 times his weekly benefit amount.
- (3) (f) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, including excluding holiday pay, payable to him with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.
- (4) The provisions of clauses (1) and (2) shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1983.
- Sec. 13. Minnesota Statutes 1982, section 268.07, subdivision 2a, is amended to read:
- Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned eredit weeks wage credits in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned 15 eredit weeks wage credits equal to or in excess of 30 times the individual's weekly benefit amount in employment which is not seasonal, in addition to any eredit weeks wage credits in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

- Sec. 14. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3, is amended to read:
- Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which benefits were received, the individual performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for the service in an amount equal to not less than the minimum wage credits required to qualify for benefits To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of section 268.07 and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.
- (2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.
- (3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

- (4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.
- Sec. 15. Minnesota Statutes 1983 Supplement, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

- (1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;
- (2) has made a claim for benefits in accordance with rules as the commissioner may adopt; and
- (3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits

shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended;

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the eredit weeks wage credits earned in the base period were for services performed during weeks in which the student was attending school as a full-time student. If the individual's claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (b), the individual shall be considered unavailable for work with respect to any week which occurs when the individual is a full-time high school student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty.

- (4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.
- Sec. 16. Minnesota Statutes 1983 Supplement, section 268.09, is amended by adding a subdivision to read:
- Subd. 2a. An individual whose claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (b), and is disqualified for benefits under subdivisions 1 and 2 of this section, other than for gross misconduct, shall be disqualified for waiting week credit and benefits. The disqualification shall continue until four weeks have elapsed following the separation or refusal of suitable work or reemployment and until the individual has worked for a minimum of 20 hours in each of four weeks.
- Sec. 17. Minnesota Statutes 1982, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner

within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in his base period.

- (2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:
 - (a) The total wage credits earned in the base period;
 - (b) The number of credit weeks which end within the base period;
- (c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;
- (d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and
- (e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to charges or raise an issue of ineligibility or disqualification.
- (3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to his last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall:
- (a) Determine the validity of an individual's claim based on the claimant's statements or any other available information. An employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of economic security and credited to the contingent fund if he has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to his last known address If, upon review of the wage information on file with the department it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wages earned, based upon the claimant's records, and issue a monetary determination of validity based upon the certification. The employer who failed to report the individual's wages or filed an erroneous report shall be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such redetermination: and.
- (b) (4) The commissioner shall determine any issue of disqualification raised by clause (1) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1), any relief from benefit charges provided by section 268.09, subdivision 1, clause

- (4), shall apply to weeks of unemployment beginning after the filing of the late report.
- Sec. 18. Minnesota Statutes 1983 Supplement, section 268.10, subdivision 2, is amended to read:
- Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; AP-PEAL.1 (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determination of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. If within the time limits for filing a protest an employer notifies the department that an individual's weekly benefit amount as determined under section 268.07 exceeds the individual's weekly wages earned with the employer, the individual's weekly benefit amount shall be the lesser of (1) the weekly benefit amount as determined under section 268.07; or (2) the weekly benefit amount which is 50 percent of the quotient derived by dividing the total wage credits carned in the individual's base period credit weeks from all employers in insured work by the number of base period credit weeks. If within the time specified for the filing of wage and separation information a protest as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to his account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.
- (2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the regulations of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.
- (3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the determination to his last known address

or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

- (4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on his own motion may reconsider a determination of validity made thereon and make a redetermination thereof if he finds that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.
- (5) However, the commissioner may in his discretion refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision 3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.
- (6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.
- Sec. 19. Minnesota Statutes 1983 Supplement, section 268.12, subdivision 8, is amended to read:
- Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24, provided that quarterly contribution and wage report forms shall include the employee's name, social security number, and total wages paid to the employee.
- (2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as he may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to

- 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16.02, except restrictions as to quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota Employment Services Law.
- (3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in his custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).
- (4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due him on any claim for benefits after the expiration of two years from the date of filing such claim.
 - Sec. 20. Minnesota Statutes 1982, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of the wages, as defined in section 268.04, subdivision 25, paid to each employee of that employer covered by this chapter. The commissioner shall provide the legislature with his recommendations for statutory changes to fully implement this section no later than January 1, 1983 The report must include the employee's name, social security number, and total wages paid to the employee.

- Sec. 21. Minnesota Statutes 1982, section 268.15, subdivision 3, is amended to read:
- Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the employment services contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to section sections 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. Commencing with the fiscal year beginning July 1, 1984, the commissioner is authorized to expend annually,

in addition to any federal moneys and without reference to section 3.30, the sum of \$500,000, from available moneys in this fund which are derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and moneys received in the form of voluntary payments and interest thereon, for the purpose of providing for: (a) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (b) determination of benefit overpayments and contribution underpayments for reasons other than fraud; (c) recovery of moneys due to the department as a result of clauses (a) and (b); and (d) those special services which are reasonably directed toward assisting the unemployed in returning to suitable work. Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota employment services law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent account shall be replaced as hereinafter provided. Upon the deposit in the employment services administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the employment services administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the employment services contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

- Sec. 22. Minnesota Statutes 1983 Supplement, section 268.16, subdivision 2, is amended to read:
- Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (4) (a) Any employer who knowingly fails to make and submit to the department of economic security any contribution report of wages paid by or due from him for insured work in the manner and at the time such the report is required by regulations rules prescribed by the commissioner shall pay to the department of economic security for the contingent account a penalty in the amount of one and one-half percent of contributions accrued during the period for which such the report is required, for each month from and after such the due date until such the report is properly made and submitted to the department of economic security. In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1-1/2 percent per month, whichever is greater. Any employing unit which fails to make and submit to the commissioner any report, other than one of wages paid or payable for insured work, as and when required by the regulations of the commissioner, shall be subject to a penalty in the sum of \$10 payable to the department of economic security for the contingent account. All such penalties shall be in addition to interest and any other penalties provided for by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.
 - (2) (b) If any employing unit required by sections 268.03 to 268.24 to make

and submit contribution reports shall fail to do so within the time prescribed by these sections or by regulations under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report. he shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make for him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, if he finds it substantially correct, substitute it for the commissioner's report.

- (c) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department of economic security for the contingent account a penalty of one-tenth of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner. Any employer who files the wage detail report required by section 268.121 but knowingly fails to include any of the required information or knowingly enters erroneous information shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.
- (d) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$25 payable to the department of economic security for the contingent account.
- (e) Penalties provided for in paragraphs (a), (c), and (d) shall be in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

Sec. 23. [BENEFIT AND WAGE STUDY.]

The commissioner shall conduct a study of benefit claims and wage data reported under section 268.121. The study shall include, but not be limited to, determining and examining cyclical patterns of unemployment, reemployment and benefit duration. The commissioner shall report the results of the study to the 1986 regular session of the legislature.

Sec. 24. [REPEALER.]

Minnesota Statutes 1982, section 268.04, subdivision 30, is repealed.

Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29, and 268.08, subdivision 9, are repealed.

Sec. 25. [EFFECTIVE DATES.]

Sections 7, 10, and 22 are effective the day following final enactment.

Section 21 is effective July 1, 1984.

Sections 3, 4, 5, 6, 11, 16, 19, 20, and 23 are effective August 1, 1984.

Sections 8 and 9 are effective January 1, 1985.

Sections 1, 2, 12, 13, 14, 15, 17, 18, and 24 are effective July 1, 1985, for benefit years subsequent to June 30, 1985."

Delete the title and insert:

"A bill for an act relating to unemployment compensation; regulating the payment, amount, and eligibility for benefits; setting employer contribution rates; making administrative changes; providing a penalty; amending Minnesota Statutes 1982, sections 268.04, subdivision 24, and by adding subdivisions; 268.06, subdivisions 6 and 8; 268.07, subdivision 2a; 268.10, subdivision 1; 268.121; 268.15, subdivision 3; Minnesota Statutes 1983 Supplement, sections 268.04, subdivisions 2 and 25; 268.06, subdivisions 2 and 3a; 268.061; 268.07, subdivisions 2 and 3; 268.08, subdivision 1; 268.09, by adding a subdivision; 268.10, subdivision 2; 268.12, subdivision 8; and 268.16, subdivision 2; repealing Minnesota Statutes 1982, section 268.04, subdivision 30; Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29; and 268.08, subdivision 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

REPORT OF VOTE IN COMMITTEE

Pursuant to Rule 60, upon the request of three members, a roll call was taken on the Frederick amendment to S.F. No. 2018.

There were yeas 5 and nays 8, as follows:

Those who voted in the affirmative were:

Mr. Belanger, Mrs. Brataas, Messrs. Frederick, Ramstad and Taylor.

Those who voted in the negative were: Messrs. Diessner, Dicklich, Frank, Kroening, Nelson, Pehler, Vega and Chmielewski.

The Frederick amendment was not adopted.

REPORT OF VOTE IN COMMITTEE

Pursuant to Rule 60, upon the request of three members, a roll call was taken on the recommendation to pass S.F. No. 2018, as amended.

There were yeas 8 and nays 5, as follows:

Those who voted in the affirmative were:

Messrs. Diessner, Dicklich, Frank, Kroening, Nelson, Pehler, Vega and Chmielewski.

Those who voted in the negative were:

Mr. Belanger, Mrs. Brataas, Messrs. Ramstad, Taylor and Frederick.

The bill, as amended, was recommended to pass.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 2098: A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending Minnesota Statutes 1982, sections 183.56; 326.46; 326.47; 326.48; 326.49; and 326.50.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 326.46, is amended to read:

326.46 [DEPARTMENT OF LABOR AND INDUSTRY TO SUPERVISE $\scriptsize STEAM$ PIPING.]

The department of labor and industry shall supervise all high pressure steam piping in connection with all building used on all projects in this state, and may prescribe minimum standards which shall be uniform.

The department shall employ inspectors and other assistants to carry out the provisions of sections 326.46 to 326.52.

Sec. 2. [326.461] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purpose of sections 1 to 7, the following terms have the meanings given them.

- Subd. 2. [HIGH PRESSURE PIPING.] "High pressure piping" means all high pressure piping used in the installation of hot water or steam heating boilers, any systems of piping hot water for heating or chilled water for cooling, or any system of high pressure steam piping, but shall not include any high pressure piping under the direct jurisdiction of the United States.
- Subd. 3. [MUNICIPALITY.] "Municipality" means a statutory or home rule charter city.
 - Sec. 3. Minnesota Statutes 1982, section 326.47, is amended to read:
- 326.47 [CITY MAY PROVIDE FOR INSPECTION; PERMIT APPLICATION, PERMIT, FILING, AND INSPECTION FEES.]

Any city may, by ordinance, prescribe rules and regulations for materials, construction, and inspection of high pressure steamfitting and provide that it shall not be installed in any building except in accordance with plans approved or provided in the ordinances, and that no steamfitting shall be done except minor repairs upon prescribed conditions.

Such local authority as may be designated by any such ordinance for the issuance of such steamfitting permits and such approved plans shall report to the department of labor and industry persistent or wilful violations of the same and any incompetency of a licensed steamfitter observed by such local authority.

Subdivision 1. [REQUIRED PERMIT.] No person, firm, or corporation

shall construct or install high pressure piping systems without first filing an application for a permit with the department of labor and industry or a municipality that has complied with subdivision 2. Projects under construction prior to August 1, 1984, are not required to obtain a permit.

Subd. 2. [PERMISSIVE MUNICIPAL REGULATION.] A municipality may, by ordinance, prescribe rules for materials, construction, and inspection of high pressure piping systems and provide that it shall not be constructed or installed except in accordance with plans approved by the municipality or as provided in the ordinance. The authority designated by the ordinance for issuing high pressure piping permits and approving plans must report to the department of labor and industry all violations of state high pressure piping standards.

A municipality may not adopt an ordinance with high pressure piping standards that does not conform to the minimum uniform standards prescribed by the department of labor and industry. The department of labor and industry shall specify by rule the minimum qualifications for municipal inspectors.

- Subd. 3. [SURCHARGE.] For the purpose of defraying the cost of administering sections 326.46 to 326.48, there is imposed on all municipalities that issue high pressure piping permits, except cities of the first class which have a letter of agreement with the Department of Labor and Industry to perform inspections, a surcharge on the filing fees, inspection fees and permits issued after December 31, 1984, in connection with the construction or installation of high pressure piping systems. If the filing, permit, or inspection fee is a fixed amount the surcharge shall be two percent of the filing fees collected or \$10, whichever is greater. If fees are not a fixed amount, the surcharge shall be two percent of the filing fees collected or \$2,000, whichever amount is less.
- Subd. 4. [COLLECTION AND REPORTS.] Fee surcharges must be collected by each municipality. A municipality having a population greater than 20,000 people must prepare and submit quarterly to the commissioner a report of fees and surcharges collected during the previous quarter. All other municipalities must submit reports and surcharges on a semi-annual basis. The reports must be in a form prescribed by the commissioner and submitted together with a remittance covering surcharges collected. The report and surcharge are due by no later than the 15th day following the close of the period for which surcharges are being reported.
- Subd. 5. [REPORTING OF PERMITS ISSUED.] Each municipality must submit to the department of labor and industry a copy of each permit issued within ten days after issuance.

All permits must be issued on forms prescribed by or approved by the department of labor and industry.

Subd. 6. [FILING AND INSPECTION FEES.] The department of labor and industry must charge a filing fee set by the commissioner under section 16A.128 for all applications for permits to construct or install high pressure piping systems. The fee for inspection of high pressure piping system construction or installation shall be set by the commissioner under section 16A.128. This subdivision does not apply where a permit is issued by a municipality complying with subdivision 2.

Sec. 4. Minnesota Statutes 1982, section 326.48, is amended to read:

326.48 [STEAMFITTERS PIPEFITTERS MUST BE LICENSED.]

Subdivision 1. No person, firm, or corporation shall engage in or work at the business of a contracting steamfitter pipefitter or journeyman steamfitter pipefitter unless licensed to do so by the department of labor and industry. No license shall be required for minor repairs on existing installations, provided the repairs shall be made in compliance with the prescribed minimum standards of the department of labor and industry. A contracting steamfitter pipefitter may also work as a journeyman steamfitter pipefitter.

No person, firm, or corporation shall engage in the business of installing high pressure steam piping, nor install high pressure steam piping in connection with the dealing in and selling of high pressure steam pipe material and supplies, unless, at all times, a licensed steamfitter pipefitter, who shall be responsible for proper installation, is in charge of the high pressure steamfitting pipefitting work of the person, firm, or corporation.

The department of labor and industry shall prescribe rules, not inconsistent herewith, for the examination and licensing of steamfitting pipefitting.

An employee performing the duties of inspector for the department of labor and industry in regulating steamfitting pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Subd. 2. [CONTRACTING STEAMFITTER'S PIPEFITTER'S LICENSE; BOND AND INSURANCE REQUIREMENTS.] The applicant for a contracting steamfitter pipefitter license may give bond to the state in the total penal sum of \$2,000 conditioned upon the faithful and lawful performance of all work entered upon by him within the state. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of performance. The term of the bond shall be concurrent with the term of the license. The bond shall be filed with the secretary of state of the state and shall be in lieu of all other license bonds to any political subdivision. The bond shall be written by a corporate surety licensed to do business in the state.

In addition, each applicant for a contracting steamfitter's pipefitter's license or renewal thereof, may provide evidence of public liability insurance, including products liability insurance, with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state and each licensed contracting steamfitter pipefitter shall maintain on file with the department, a certificate evidencing the insurance which provides that the insurance shall not be cancelled without the insurer first giving 15 days written notice to the department. The term of the insurance shall be concurrent with the term of the license. The certificate shall be in lieu of all other certificates required by any political subdivision for licensing purposes.

Subd. 3. [BOND AND INSURANCE EXEMPTION.] A contracting steamfitter pipefitter who is an employee of a contracting steamfitter pipefitter or who is an employee engaged within the limits of property owned, leased and operated, or maintained by his the employer, in the maintenance

and repair of high pressure steam pipe work, equipment, or facilities owned or leased by the employer, shall not be required to meet the bond and insurance requirements of subdivision 2.

- Subd. 4. [ALTERNATIVE COMPLIANCE.] Compliance with the local bond requirements of a locale within which work is to be performed shall be deemed to satisfy the bond and insurance requirements of subdivision 2.
- Subd. 5. [FEE.] The state department of labor and industry may charge each applicant for a contracting steamfitter pipefitter license or for a renewal of a contracting steamfitter pipefitter license and an additional fee commensurate with the cost of administering the bond and insurance requirements of subdivision 2.
 - Sec. 5. Minnesota Statutes 1982, section 326.50, is amended to read:

326.50 [APPLICATION; FEES.]

Application for a steamfitter's pipefitter's license shall be made to the department of labor and industry, with fees. Unless entitled to a renewal, the applicant shall be licensed only after passing a satisfactory examination by the examiners showing fitness. Fees for journeymen shall be \$25 for examination and \$15 for renewal, and for master steamfitters \$75 pipefitters for examination and \$60 for renewal shall be set by the commissioner under section 16A.128. Licenses shall expire December 31, but may be renewed upon application made the following January or February; but, if in February, only upon payment of an additional fee of \$5 set by the commissioner under section 16A.128.

The commissioner may issue a temporary license to a qualified individual with specific skills that a contractor or employer requires to construct or install a high pressure piping system. A temporary license must be renewed every 12 months. No individual may hold a temporary license for high pressure pipefitting for more than 36 months. The fee for a temporary license and for renewal of a temporary license shall be set by the commissioner under section 16A.128.

Sec. 6. [175.008] [CODE ENFORCEMENT ADVISORY COUNCIL; CREATION.]

The commissioner shall appoint an 11 member advisory council on code enforcement. The terms, compensation, and removal of council members is governed by section 15.059. The council shall not expire as provided by section 15.059. The council shall advise the commissioner on matters within the council's expertise or under the regulation of the commissioner.

Sec. 7. [REPEALER.]

Minnesota Statutes 1982, section 326.49, is repealed."

Delete the title and insert:

"A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending Minnesota Statutes 1982, sections 326.46; 326.47; 326.48; and 326.50; proposing new law coded in Minnesota Statutes, chapters 175 and 326; repealing Minnesota Statutes 1982, section 326.49."

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1687: A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [471.991] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of this act, the following terms have the meanings given them.

- Subd. 2. [BALANCED CLASS.] "Balanced class" means any class in which no more than 80 percent of the members are male and no more than 70 percent of the members are female.
- Subd. 3. [COMPARABLE WORK VALUE.] "Comparable work value" means the value of work measured by the skill, effort, responsibility, and working conditions normally required in the performance of the work.
- Subd. 4. [CLASS.] "Class" means one or more positions that have similar duties, responsibilities, and general qualifications necessary to perform the duties, with comparable selection procedures used to recruit employees, and use of the same compensation schedule.
- Subd. 5. [EQUITABLE COMPENSATION RELATIONSHIP.] "Equitable compensation relationship" means that the primary consideration in negotiating, establishing, recommending, and approving total compensation is comparable work value in relationship to other employee positions within the political subdivision.
- Subd. 6. [FEMALE-DOMINATED CLASS.] "Female-dominated class" means any class in which 70 percent or more of the members are female.
- Subd. 7. [MALE-DOMINATED CLASS.] "Male-dominated class" means any class in which 80 percent or more of the members are male.
- Subd. 8. [POSITION.] "Position" means a group of current duties and responsibilities assigned or delegated by a supervisor to an individual.
 - Sec. 2. [471.992] [EQUITABLE COMPENSATION RELATIONSHIPS.]

Subject to sections 179.61 to 179.76 but notwithstanding any other law to the contrary, every political subdivision of this state is encouraged to establish and maintain equitable compensation relationships between femaledominated, male-dominated, and balanced classes of employees. In all interest arbitration held pursuant to section 179.72, subdivisions 6 and 7, the arbitrator shall follow the equitable compensation relationship standards established under sections 1 to 9.

Sec. 3. [471.993] [COMPENSATION RELATIONSHIPS OF POSITIONS.]

Subdivision 1. [ASSURANCE OF REASONABLE RELATIONSHIP.] In preparing management negotiation positions for compensation established through collective bargaining under chapter 179 and in establishing, recommending, and approving compensation plans for employees of political subdivisions not represented by an exclusive representative under chapter 179, the respective political subdivision as the public employer, as defined in section 179.63, subdivision 4, or, where appropriate, the Minnesota merit system, is encouraged to assure that:

- (1) compensation for positions in the classified civil service, unclassified civil service, and management bear reasonable relationship to one another;
- (2) compensation for positions in the classified civil service, unclassified civil service, and management bear reasonable relationship to similar positions outside of that particular political subdivision's employment; and
- (3) compensation for positions within the classified civil service, unclassified civil service, and management bear reasonable relationship among related job classes and among various levels within the same occupational group.
- Subd. 2. [REASONABLE RELATIONSHIP DEFINED.] For purposes of subdivision 1, compensation for positions bear "reasonable relationship" to one another if:
- (1) the compensation for positions which require comparable skill, effort, responsibility, working conditions, and other relevant work related criteria is comparable; and
- (2) the compensation for positions which require differing skill, effort, responsibility, working conditions, and other relevant work related criteria is proportional to the skill, effort, responsibility, working conditions, and other relevant work related criteria required.

Sec. 4. [471.994] [JOB EVALUATION SYSTEM.]

Every political subdivision is encouraged to use a job evaluation system in order to determine the comparable work value. The political subdivision may use the system of some other public employer in the state. Each political subdivision shall meet and confer with the exclusive representatives of their employees on the development or selection of a job evaluation system.

Sec. 5. [471.995] [REPORT AVAILABILITY.]

Every political subdivision shall submit a report containing the results of the job evaluation system to the exclusive representatives of their employees to be used by both parties in contract negotiations. At a minimum, the report to each exclusive representative shall identify the female-dominated classes in the political subdivision for which compensation inequity exists, based on the comparable work value.

Sec. 6. [471.996] [PRIVATE DATA.]

The results of any job evaluation system established under section 4 and the reports compiled under section 5 shall be considered personnel data as defined in section 13.43, subdivision 1, and treated as private data under sec-

tion 13.43, subdivisions 4 and 5, until July 31, 1987. The director of mediation services is authorized to release the job evaluation system results and reports to labor organizations as provided under section 13.43, subdivision 6.

Sec. 7. [471.997] [HUMAN RIGHTS ACT EXCEPTION.]

Neither the commissioner of human rights nor any state court shall use or consider the results of any job evaluation system established under section 4 and the reports compiled under section 5 in any proceeding or action commenced before August 1, 1987 alleging discrimination under chapter 363.

Sec. 8. [471.998] [REPORT TO COMMISSIONER.]

Subdivision 1. [REPORT ON IMPLEMENTATION PLAN; CONTENTS.] Every political subdivision shall report to the commissioner of employee relations on its plan for implementation of sections 4 and 5. Each report shall include:

- (1) the title of each job class which the political subdivision has established:
 - (2) the following information for each class as of July 1, 1984:
 - (a) the number of incumbents;
 - (b) the percentage of incumbents who are female;
- (c) the comparable work value of the class, as determined under the system chosen under section 4; and
 - (d) the minimum and maximum monthly salary for the class;
- (3) a description of the job evaluation system used by the political subdivision: and
- (4) a plan for establishing equitable compensation relationships between female-dominated and male-dominated classes, including:
- (a) identification of classes for which a compensation inequity exists based on the comparable work value;
 - (b) a timetable for implementation of pay equity; and
 - (c) the estimated cost of implementation.
- Subd. 2. [TECHNICAL ASSISTANCE.] The commissioner of employee relations shall, upon request of a political subdivision, provide technical assistance in completing the required reports.

Sec. 9. [471.999] [REPORT TO LEGISLATURE.]

The commissioner of employee relations shall provide a report to the legislature by January 1, 1986. The commissioner's report shall include a list of political subdivisions which did not comply with the reporting requirements of this section."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring a report to the legislature;"

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 2075: A bill for an act relating to education; prohibiting a school district from commencing the school year prior to Labor Day; amending Minnesota Statutes 1982, section 126.12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 22, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1985."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1708: A bill for an act relating to the legislature; extending the laws on post-auditing, attribution of published documents, ethics, and open meetings now relating just to the executive branch to include the legislative branch; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 16.81; 43A.38; and 471.705, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, delete sections 1 and 2

Page 3, line 9, strike "IN THE EXECUTIVE"

Page 3, line 10, strike "BRANCH"

Page 3, line 28, delete ", other than"

Page 3, line 29, delete "independent contractors,"

Pages 6 and 7, delete section 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete ", and open meetings"

Page 1, line 6, delete "sections 3.971," and insert "section 43A.38."

Page 1, delete lines 7 and 8

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1437: A bill for an act relating to elections; requiring employers to

pay employees during their service as election judges; amending Minnesota Statutes 1983 Supplement, section 204B.195.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 275.50, subdivision 5, is amended to read:
- Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1983 payable in 1984 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:
- (a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;
- (b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;
- (c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law for which matching funds have been appropriated by the state of Minnesota or the United States, excluding the administrative costs of public assistance programs, to the extent of the increase in levy over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during the year in which the taxes are payable or those programs or projects approved by the commissioner;
- (d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. Except for the costs of general assistance as defined in section 256D.02, subdivision 4, general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the ag-

gregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes in the previous year;

- (e) pay the costs of principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;
- (f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency;
- (g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;
- (h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;
- (i) pay the amounts required to compensate for a decrease in manufactured homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the manufactured homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;
- (j) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;
- (k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;
- (1) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order:
- (m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows.

The governmental subdivision may calculate the aggregate of:

- (1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;
- (2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

- (n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;
- (0) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;
- (p) the amounts allowed under section 174.27 to establish and administer a commuter van program;
- (q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, chapter 253, section 3;

- (r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16;
- (s) pay the total operating cost of a county jail as authorized in section 641.01. If the county government utilizes this special levy, then any amount levied by the county government in the previous year for operating its county jail and included in its previous year's levy limitation computed pursuant to section 275.51 shall be deducted from the current levy limitation;
- (t) pay the costs of implementing section 18.023, including sanitation and reforestation; and
- (u) pay the estimated cost for the following calendar year of the county's share of funding the Minnesota cooperative soil survey; and
- (v) pay the cost of compensating election judges for services performed as required under section 204B.31, clause (d).

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter."

Amend the title as follows:

Page 1, delete lines 2 to 5 and insert:

"relating to taxation; providing a special levy for the cost of compensating election judges; amending Minnesota Statutes 1983 Supplement, section 275.50, subdivision 5."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 1386: A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, after "federally" insert "or state"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 2131: A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Hughes from the Committee on Elections and Ethics, to which was referred
- S.F. No. 1796: A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 595: A bill for an act relating to insurance; holding companies; modifying the commissioner's jurisdiction with respect to the interests of shareholders; making miscellaneous style and form changes; amending Minnesota Statutes 1982, section 60D.02, subdivisions 1, 2, and 4; repealing Minnesota Statutes 1982, section 60D.02, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, lines 13 and 23, reinstate the stricken "make" and delete "commence"
- Page 2, line 4, reinstate the stricken "hereinafter" and delete "in subdivision"
 - Page 2, line 5, delete "4"
 - Page 3, line 10, after "sell" insert ", transfer or exchange"
 - Page 4, line 6, delete "the proposed form of"
- Page 4, line 9, reinstate the stricken "(if distributed)" and delete "the proposed form"
- Page 5, lines 10 to 25, 35 and 36, reinstate the stricken language and delete the new language
 - Page 5, line 33, after "sell" insert ", transfer or exchange"
 - Page 6, line 4, reinstate the stricken "in" and delete "contrary to"
- Page 6, line 26, delete "section" and insert "sections 60D.01, subdivision 8; and"
 - Page 6, line 26, delete "is" and insert "are"

Amend the title as follows:

Page 1, line 7, delete "section" and insert "sections 60D.01, subdivision 8; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
 - S.F. No. 1732: A bill for an act relating to financial institutions; author-

izing industrial loan and thrift companies to act as trustees or custodians of certain retirement accounts; authorizing the removal of the bond requirement on the advertisement and sale of certain evidences of indebtedness; allowing special powers without inclusion in articles of incorporation; providing certain conventional loans on the same terms as other lenders; authorizing open-end loans; providing an alternative to filing fee charges; authorizing the deposit of real estate broker and salesperson trust funds in industrial loan and thrifts; amending Minnesota Statutes 1982, sections 47.75, subdivision 1; 48.151; 53.04, subdivision 1; 53.04, by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a; proposing new law coded in Minnesota Statutes, chapter 56.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, delete section 2

Page 3, line 18, strike "(3)" and insert "(7)"

Page 4, after line 21, insert:

"Sec. 5. Minnesota Statutes 1983 Supplement, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company may do any of the following:

- (1) carry commercial or demand banking accounts; use the word "bank" or "banking" in its corporate name; operate as a savings bank;
- (2) have outstanding at any one time certificates of indebtedness, savings accounts, and savings deposits, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company until July 1, 1985, or the date an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, whichever is earlier, and thereafter 15 times the sum of contributed capital and appropriated reserves of the company;
- (3) accept trusts, except as provided in section 1, or act as guardian, administrator, or judicial trustee in any form;
- (4) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance;
- (5) change any allocation of capital made pursuant to section 53.03 or reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of banks:
- (6) take any instrument in which blanks are left to be filled in after execution; or
- (7) lend money in excess of ten percent of its contributed capital and appropriated reserves to a person primarily liable. "Contributed capital and

appropriated reserves' means the total of the company's contributed capital and appropriated reserves at all its authorized locations.

If a loan has been made to a person primarily liable and payments have been made on a certificate of indebtedness securing it, the amount of the payments may be added to the limitation contained in this clause for the purpose of determining whether additional loans may be made to that person."

Page 4, line 28, after "56.131" insert ", subdivision 1, paragraph (a), clause (2)"

Page 4, line 29, after "licensee" insert "pursuant to written agreement"

Page 4, line 32, after "(2)" insert "the borrower has the option of paying the balance in full at any time without penalty; (3)"

Page 4, line 35, delete "3" and insert "4"

Page 5, line 9, after the period, insert "The daily balance is figured by taking the beginning balance of the account each day, adding any new advances, subtracting any principal payments or credits, and any unpaid interest. The average daily balance is calculated by adding together all of the daily balances for the billing cycle, and the sum is then divided by the total number of days in the billing cycle."

Page 5, line 13, delete "which"

Page 5, line 14, delete everything before the period and insert "after such time as the outstanding balance exceeds \$2,700. A subsequent reduction in the balance below \$2,700 has no effect on the lien"

Page 5, line 23, delete the comma and insert a period

Page 5, delete lines 24 to 27

Page 6, line 1, after "the" insert "amount of the" and delete "must be"

Page 6, line 2, delete "sufficient to pay" and insert "may not exceed"

Page 6, line 4, delete ", whichever is less,"

Page 6, line 12, after "any" insert "credit"

Page 6, line 14, delete the second "and"

Page 6, line 15, delete everything before the period

Page 6, line 19, delete the comma and delete everything after "is" and insert "required"

Page 6, line 20, delete everything before the comma

Page 6, line 22, delete the period and insert ", provided that the line of credit is not secured by real estate occupied as the homestead as defined in chapter 510. Prior to any licensee taking a lien upon the borrower's homestead, as defined in chapter 510, as security for any open-end loan pursuant to subdivision 2, the borrower shall be provided with a statement in substantially the following form, in bold face type of a minimum size of 12 points, signed and dated by the borrower at the time of the execution of the contract surrendering the homestead exemption, immediately adjacent to a listing of

the homestead property: "I understand that some or all of the above real estate is normally protected by law from the claims of creditors, and I voluntarily give up my right to that protection for the above listed property with respect to claims arising out of this contract."

Page 7, line 19, after "company" insert "with deposit liabilities"

Page 7, line 35, after "53" insert "with deposit liabilities"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "48.151;"

Page 1, line 18, delete "section" and insert "sections" and after the semicolon, insert "and 53.05;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1978: A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; proposing new law coded in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1982, sections 473.611, subdivision 5; and 473.621, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 473.611, subdivision 5, is amended to read:
- Subd. 5. Any *long-term comprehensive* plans adopted by the commission for the betterment and enlargement of existing airports, for the acquisition and construction of new airports, and for the categories of use of airports owned or controlled by the commission shall be consistent with the development guide of the metropolitan council.
- Sec. 2. Minnesota Statutes 1982, section 473.621, is amended by adding a subdivision to read:
- Subd. 1a. [RELATIONSHIP TO LEGISLATURE.] The commission shall be held accountable to the legislature in its activities, plans, policies, and programs. It shall report each session to appropriate committees of the legislature as to its activities, plans, policies, and programs and shall make other reports and recommendations which the legislature or its committees deem appropriate.
- Sec. 3. Minnesota Statutes 1982, section 473.621, subdivision 6, is amended to read:
- Subd. 6. All Minneapolis-St. Paul International Airport capital projects of the commission requiring the expenditure of more than \$5,000,000 shall be

submitted to the metropolitan council for review. All other capital projects of the commission requiring the expenditure of more than \$2,000,000 shall be submitted to the metropolitan council for review. No such project which has a significant effect on the orderly and economic development of the metropolitan area may be commenced without the approval of the metropolitan council.

- Sec. 4. Minnesota Statutes 1982, section 473.621, is amended by adding a subdivision to read:
- Subd. 7. [CAPITAL PROJECTS.] For purposes of this section, capital projects having a significant effect on the orderly and economic development of the metropolitan area shall be deemed to be the following:
 - (a) the location of a new airport,
 - (b) a new runway at an existing airport,
 - (c) a runway extension at an existing airport,
- (d) runway strengthening other than routine maintenance to determine compliance with federal air regulation part 36,
- (e) construction or expansion of passenger handling or parking facilities which would permit a 25 percent or greater increase in passenger enplanement levels,
- (f) land acquisition associated with any of the above items or which would cause relocation of residential or business activities.

Sec. 5. [STATE PLANNING AGENCY; REPORT.]

The director of the state planning agency, in consultation with the metropolitan council and the metropolitan airports commission, shall prepare a report recommending specific definitions of the terms 'metropolitan significance'' and "significant effect on the orderly and economic development of the metropolitan area" as those terms are used in laws governing the operation of the metropolitan airports commission. The report shall be delivered to appropriate committees of the legislature, and shall become effective upon approval by law no later than June 1, 1985.

Sec. 6. [REPEALER.]

Section 4 is repealed effective July 1, 1985, if the report required in section 5 is approved by law by June 1, 1985.

Sec. 7. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 8. [EFFECTIVE DATE.]

This act is effective July 1, 1984."

Amend the title as follows:

Page 1, delete lines 4 to 7 and insert "metropolitan council; amending Minnesota Statutes 1982, sections 473.611, subdivision 5; 473.621, subdivision 6, and by adding subdivisions."

And when so amended the bill do pass. Mr. Moe, D.M. questioned the

reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2069: A bill for an act relating to local government; requiring payments as a condition of annexations; amending Minnesota Statutes 1982, section 414.031, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1982, section 414.01, is amended by adding a subdivision to read:

Subd. 16. In proceedings before the board, the board has the authority to require that representatives from the involved city, town, and county shall meet together to discuss the resolution of issues raised at the hearing before the board and other issues of mutual concern. The board may require that the parties meet at least three times over the course of a 60-day period and the board shall designate a person who shall immediately after the last meeting make a report to the board on the results of the meetings."

Page 3, line 9, delete "Each annexation shall be conditioned on" and insert "Upon determination by the board an annexation may be conditioned on the payment from the municipality to the town of an amount not to exceed six times the property tax revenue derived by the town from the annexed territory in the year of annexation. The municipality shall complete the payment as determined by the board in six or fewer years."

Page 3, delete lines 10 to 12

Page 3, line 13, delete "complete the payment in six or fewer years."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "authorizing the Minnesota municipal board to require cities, towns, and counties to meet and discuss certain issues;

Page 1, line 4, delete "section" and insert "sections 414.01, by adding a subdivision; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2091: A bill for an act relating to cities; regulating the residence of city employees; proposing new law coded in Minnesota Statutes, chapter 418.

Reports the same back with the recommendation that the bill be amended

as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 415.16, is amended to read:

415.16 [EMPLOYMENT; RESIDENCE REQUIREMENT.]

Notwithstanding any contrary provision of other law, home rule charter, ordinance or resolution, no statutory or home rule charter city or county located in the area defined in section 473F.02, subdivision 2, shall require that a person be a resident of the city or county as a condition of employment by the city or county except for positions which by their duties require the employee to live on the premises of the person's place of employment.'

Delete the title and insert:

"A bill for an act relating to local government; prohibiting cities and counties from establishing residency requirements as a condition of employment; amending Minnesota Statutes 1982, section 415.16."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2017: A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 473.503, is amended to read:

473.503 [METROPOLITAN WASTE CONTROL COMMISSION; ESTABLISHMENT; ADMINISTRATION.]

A metropolitan waste control commission is established and shall be is organized, structured and administered as provided in section 473.141, except as otherwise provided in this section. The commission may establish in the unclassified service the positions of internal auditor, general counsel, and policy analyst. Persons appointed to these positions must be supervised by and report directly to the commission. Decisions on the appointment, promotion, demotion, suspension, and removal of persons filling these positions must be made by the chair upon approval of the commission. The board shall act within 30 days on employment decisions recommended by the chair. The internal auditor and the general counsel may be removed by the commission only upon a showing of just cause, as defined in section 43A.33, subdivision 2. The commission may establish subordinate positions in the classified service to be filled and supervised directly by and report directly to the internal auditor, general counsel, or policy analyst.

Section 1 is effective the day following final enactment in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to the metropolitan waste control commission; establishing positions in the unclassified civil service; amending Minnesota Statutes 1982, section 473.503."

And when so amended the bill do pass. Mr. Moe, D.M. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was re-referred
- S.F. No. 1914: A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "definite"

Page 1, line 17, strike "specific"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 1930: A bill for an act relating to Ramsey county; providing for the creation, organization, powers and duties of a personnel system; amending Minnesota Statutes 1982, section 383A.41, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 383A; repealing Minnesota Statutes 1982, sections 383A.29; 383A.30; 383A.31; and Minnesota Statutes 1983 Supplement, section 383A.28.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [383A.282] [DEFINITIONS.]

Subdivision 1. [INTERPRETATION.] Unless the language or context indicates that a different meaning is intended, the following terms, for the purpose of this act and rules promulgated under it, have the meanings given them in this section.

- Subd. 2. [ALLOCATION.] "Allocation" means the assignment of an individual position to an appropriate class on the basis of the kind, difficulty, and responsibility of the work performed in the position.
- Subd. 3. [APPLICANT.] "Applicant" means a person who has completed an application for employment and has submitted it to the department of

personnel or other appointing authority who has been delegated the authority to recruit and examine individuals for positions in the county personnel system.

- Subd. 4. [APPOINTING AUTHORITY.] "Appointing authority" means an elected official, the head of a board, department, division, or commission, or person or group of persons who by law, rule or resolution of the county board has been granted the authority to make appointments to positions in the county personnel system.
- Subd. 5. [APPOINTMENT.] "Appointment" means the act of filing a vacancy by placement of a person in the county personnel system through selection from an eligible list or a noncompetitive or qualifying process including transfer, demotion, or reinstatement.
- Subd. 6. [CERTIFICATION.] "Certification" means the referral of names from an eligible list to an appointing authority to fill vacant positions in the classified service.
- Subd. 7. [CLASS.] "Class" means one or more positions sufficiently similar with respect to duties and responsibilities that the same descriptive title may be used with clarity to designate each position allocated to the class, that the same general qualifications are needed for performance of the duties of the class, that the same tests of fitness may be used to recruit employees, and that the same schedule of pay can be applied with equity to all positions in the class under the same or substantially the same employment conditions.
- Subd. 8. [CLASSIFICATION.] "Classification" means the process of grouping positions into classes with respect to similar duties and responsibilities of the positions.
- Subd. 9. [CLASSIFIED SERVICE.] "Classified service" means all positions existing on the effective date of this act or subsequently created in the county personnel system and not specifically designated as unclassified positions pursuant to section 6.
- Subd. 10. [COMPETITIVE OPEN EXAMINATION.] "Competitive open examination" means that eligibility to compete in an examination is extended to all interested qualified persons.
- Subd. 11. [COMPETITIVE PROMOTIONAL EXAMINATION.] "Competitive promotional examination" means that eligibility to compete in an examination is limited to qualified county employees by department.
- Subd. 12. [COUNTY BOARD.] "County board" means the Ramsey county board of commissioners.
- Subd. 13. [COUNTY PERSONNEL SYSTEM.] "County personnel system" means all employees in the departments or agencies of county government or joint city and county agencies which receive their funding in whole or in part from the county board, including employees of:
 - (a) elected officials;
 - (b) the Saint Paul Ramsey medical center commission;
 - (c) the clerk of district court; and
 - (d) the municipal court;

but not including:

- (a) district and municipal court judges;
- (b) court reporters employed by district and municipal court judges;
- (c) court commissioners;
- (d) the public defender;
- (e) employees of the examiner of titles, agricultural extension service, humane society, historical society, and soil and water conservation district; and
- (f) other employees not subject to a county personnel system because of state law.
- Subd. 14. [DIRECTOR.] "Director" means the director of the department of personnel or the director's delegated representative.
- Subd. 15. [ELIGIBLE.] "Eligible" means a person whose name is on an eligible list.
- Subd. 16. [ELIGIBLE LIST.] "Eligible list" means a list of candidates eligible for employment in a specific class.
- Subd. 17. [EMPLOYEE.] "Employee" means any person currently occupying, or on leave from, a county personnel system position.
- Subd. 18. [LAYOFF LIST.] "Layoff list" means an eligible list by class of former permanent or probationary employees who have been terminated from positions in the class because of a shortage of funds or curtailment of service or for any other reason beyond their control not reflecting discredit on the employee.
- Subd. 19. [PERMANENT STATUS.] "Permanent status" means the state or condition achieved by an employee in the classified service who has successfully completed an initial probationary period or a probationary period required following reinstatement or reemployment.
- Subd. 20. [PERSONNEL DEPARTMENT.] "Personnel department" means the department charged with the administration of the county personnel system under the supervision of the personnel department director.
- Subd. 21. [PERSONNEL REVIEW BOARD.] "Personnel review board" means the body charged with review responsibilities pursuant to section 7.
- Subd. 22. [POSITION.] "Position" means a group of duties and responsibilities assigned or delegated by the appointing authority, requiring the full-time or less than full-time employment of one person.
- Subd. 23. [PROBATIONARY PERIOD.] "Probationary period" means a period of time following appointment to a position in the classified service, during which the employee is required to demonstrate ability to perform the duties and fulfill the responsibilities of the position.
- Subd. 24. [PROTECTED GROUPS.] "Protected groups" means the groups defined by Minnesota Statutes, section 43A.02, subdivision 33.
- Subd. 25. [RECLASSIFICATION.] "Reclassification" means changing the allocation of a position to a different class.
 - Subd. 26. [REEMPLOYMENT LIST.] "Reemployment list" means an

eligible list by class of current or former permanent or probationary employees laid off, demoted in lieu of layoff, or separated in good standing from the class, and whose written applications for consideration for reemployment in the class have been approved by the personnel director.

- Subd. 27. [TRANSFER.] "Transfer" means a change of an employee in one position within a department to a position of comparable class in the same or another department.
- Subd. 28. [UNCLASSIFIED SERVICE.] "Unclassified service" means all positions which are not within the classified service as defined by section 6.

Sec. 2. [383A.283] [COUNTY BOARD RESPONSIBILITIES.]

Subject to this act and other law, the county board shall fix the annual salary of county officials and determine the number and compensation of all employees in the county personnel system.

Sec. 3. [383A.284] [PERSONNEL DEPARTMENT.]

Subdivision 1. [CREATION.] The personnel department is created under the supervision of the director of personnel.

- Subd. 2. [DIRECTOR.] The director shall be appointed by the Ramsey county executive director, on the basis of merit and fitness as a result of a competitive examination, subject to the approval of the county board. The director shall be in the classified service and shall report directly to and be supervised by the Ramsey county executive director.
- Subd. 3. [RESPONSIBILITIES.] The personnel department shall provide personnel management services and assistance to all county departments, enforce any personnel rules and regulations adopted by the county board, and carry out the responsibilities set forth in this act.

Sec. 4. [383A.285] [GENERAL; PERSONNEL POWERS OF DEPARTMENT AND COUNTY BOARD.]

Subdivision 1. [RULEMAKING.] The personnel department shall prepare rules to implement the provisions of this act. The rules shall be effective upon approval by the county board. Prior to approval, the county board shall hold a public hearing on the proposed rules after giving notice to county departments, employees, affected labor organizations, and the public. The rules approved by the county board shall have the force and effect of law. The rules may be amended or repealed in the same manner as originally adopted.

Subd. 2. [COLLECTIVE BARGAINING.] The personnel director or his designee shall be the chief labor negotiator for the county, under the supervision of the Ramsey county executive director. The personnel director may, as necessary and at his discretion, include department heads of affected departments in the labor negotiation process. The executive director shall recommend to the county board for its final approval all collective bargaining agreements. To the extent they are covered by a collective bargaining agreement, the compensation, terms and conditions of employment for all employees represented by an exclusive representative certified pursuant to chapter 179 shall be governed by the collective bargaining agreement executed by the county board and the parties and it shall supersede any rule or

administrative procedure adopted pursuant to this act, unless a provision of the agreement is found to violate other state or federal law.

- Subd. 3. [EVALUATION; REPORT.] The county board will establish performance indicators and annually monitor the performance of the personnel management system in the county. The personnel department shall periodically review and evaluate current and future staff needs of all county departments, job classes and descriptions, training and development, and internal and market comparability of all classification and salary schedules and report to the county board on these and other personnel management areas, as requested.
- Subd. 4. [REVIEW APPOINTMENTS.] Prior to each new appointment to the county personnel system, the personnel department shall certify that the person has been appointed in accordance with the provisions of this act and applicable rules and regulations.

Sec. 5. [383A.286] [CLASSIFIED SERVICE.]

- Subdivision I. [GENERAL.] All appointments to the classified service shall be based upon merit, fitness, and ability to perform the duties of the position and the needs of the appointing authority, including the need to achieve and maintain a representative work force.
- Subd. 2. [CLASSIFICATION PLAN.] The personnel department shall maintain, revise, and administer a classification and salary plan and shall adopt guidelines to assist appointing authorities in classifying positions. All new classifications shall be approved by the county board before becoming effective.
- Subd. 3. [CLASSIFICATION OF POSITIONS.] All positions in the classified service shall be allocated to an appropriate class in the classification plan or a new class shall be created, if appropriate. All positions shall be classified by the personnel department. If classifications are unique to a department, the personnel department shall consult with the head of that department prior to classifying the unique positions.
- Subd. 4. [APPEAL FROM CLASSIFICATION OR RECLASSIFICATION.] An appointing authority or an employee affected by a classification or reclassification of a position may protest the action in writing to the personnel director. The personnel director shall review the classification or reclassification and may change the decision. Neither the appointing authority nor the employee shall have any further right to appeal the personnel review board decision regarding a classification or reclassification.
- Subd. 5. [EFFECT OF RECLASSIFICATION.] The incumbent in a position which has been reclassified shall continue in the position only if the employee is eligible for and is appointed to the position of the new class in accordance with this act and any rules promulgated pursuant to this act. If the incumbent is ineligible to continue in the position reclassified and is not transferred, promoted, or demoted, the layoff provisions of this act shall apply. Personnel changes required by the reclassification of positions shall be completed within a reasonable period of time not to exceed 60 days, following the reclassification notice to an appointing authority. Any employee with permanent or probationary status whose position is classified shall be considered eligible to compete in any examination held to fill the reclassified

position.

- Subd. 6. [REINSTATEMENT.] An employee who is granted a leave of absence from a position in the classified service to accept a position in the unclassified service, upon request, shall, during the unclassified appointment or within 60 days after the end of the unclassified appointment, be reinstated to the department from which the employee was granted a leave, to a classified position comparable to that which was held immediately prior to being appointed to the unclassified position. At the discretion of the appointing authority, any employee who without fault or delinquency has resigned or been demoted, within one year after leaving the position in the classified service, may be appointed or reinstated to a classified position within the same department which is comparable to the position held previously. An employee may be reinstated from a leave of absence as determined by the rules and regulations adopted by the county board pursuant to this act.
- Subd. 7. [CLASSIFYING AND UNCLASSIFYING.] An employee in an unclassified position on the effective date of this act which becomes classified by this act shall continue to serve in the classified position and have all the benefits of classified service notwithstanding any other provision of this act. The county board shall determine by rule the effect of unclassifying classified positions provided that an employee of the county attorney's office holding a classified position on the effective date of this act which is unclassified by the county board as provided in section 6 may at the employee's option remain in the classified service in an equivalent position and with equivalent compensation, seniority, vacation, sick leave, and any other rights.

Sec. 6. [383A.287] [UNCLASSIFIED SERVICE.]

Subdivision 1. [GENERAL.] An appointing authority may appoint employees to the unclassified service in accordance with this section. Positions in the unclassified service shall not be required to be filled by competitive examination, but shall be subject to an open application and screening process. The appointing authority may discharge employees in the unclassified service with or without cause and employees in the unclassified service shall have no right to a grievance appeal from discharge or other disciplinary action under this act. An employee in an unclassified position shall not have tenure but shall be entitled to all benefits associated with tenure such as vacation leave, sick leave, health insurance, and other benefits as determined by the county board.

- Subd. 2. [UNCLASSIFIED POSITIONS.] The following positions shall be in the unclassified service:
- (a) positions held by elected officials or persons appointed to fill an elected office;
 - (b) one assistant for each elected official;
- (c) the director or principal administrative officer of a department of county government or agency created by law, except that the affirmative action officer, personnel director, internal auditor, and director of budgeting and accounting shall be positions in the classified service;
 - (d) doctors, residents, and student nurses employed by the county or county

agency;

- (e) members of a board or commission appointed by the county, or the county and the city, and acting in an advisory capacity;
 - (f) weed inspectors, election judges, or election clerks;
 - (g) special police officers or special deputy sheriffs serving without pay;
- (h) judges, court administrators, court reporters, receivers, referees, the examiner or assistant examiners of titles, public defenders, arbiters, jurors, clerks of district court, or persons appointed by the district court to make or conduct a special inquiry of a judicial and temporary character;
- (i) all positions in the municipal court of Ramsey county and the second judicial district administrator's office;
 - (j) the executive director and eight principal assistants;
- (k) interns, student workers, law clerks, or other employees employed for a limited duration as determined by the county board; and
- (l) positions designated by the county board as unclassified pursuant to subdivision 3.
- Subd. 3. [UNCLASSIFIED POSITIONS AUTHORIZED BY COUNTY BOARD.] The county board may designate additional positions in the unclassified service if the following criteria are met:
- (a) designation of the position is not contrary to the provisions of other law relating specifically to that department;
- (b) the person occupying the position would report directly to the department head and would be designated as part of the department head's management team;
- (c) the duties of the position involve significant discretion and substantial involvement in the development, interpretation, and implementation of department policy.

Sec. 7. [383A.288] [PERSONNEL REVIEW BOARD.]

- Subdivision 1. [CREATION.] The Ramsey county personnel review board is created to review disciplinary and nondisciplinary appeals and conduct performance reviews of the personnel department.
- Subd. 2. [ORGANIZATION.] The county board, by a majority vote, shall appoint five persons to the personnel review board to serve four-year staggered terms. Any vacancies shall be filled by a majority vote of the county board for the unexpired term. Each member shall hold office until a successor has been appointed. Membership on the personnel review board shall be limited as follows:
- (a) each member shall take an oath of office before assuming the duties of office;
- (b) no person shall be a member of the civil service commission while holding a public office, or while holding office in a political party above the state legislative district level, nor for two years after having held this kind of public or political office; and

- (c) each member shall be a resident of the county and if a member becomes a nonresident, the member forfeits the office.
- Subd. 3. [REMOVAL FROM OFFICE.] A personnel review board member may be removed from office by the county board for cause, after a copy of the charges has first been given to the member and opportunity of being publicly heard before the county board, upon not less than ten days written notice. A majority vote of the county board shall be required for removal.
- Subd. 4. [COMPENSATION.] Compensation for members of the personnel review board shall be set by resolution of the county board.
- Subd. 5. [RESPONSIBILITIES.] (a) [NONDISCIPLINARY APPEALS.] The personnel review board shall hear all nondisciplinary personnel appeals as defined in the rules adopted by the county board pursuant to section 4, subdivision 1.
- (b) [GRIEVANCES AND DISCIPLINARY APPEALS.] All appeals or grievances relating to discharge, suspension, demotion for cause, salary decrease, or other disciplinary action shall be heard by a hearing officer or a hearing examiner appointed pursuant to section 14.55. The hearing officer or examiner shall hear the grievance or appeal and report its recommendation to the personnel review board in a timely manner consistent with section 13 and the rules and regulations promulgated by the county board.
- (c) [REVIEW OF PERSONNEL DEPARTMENT PERFORMANCE.] Periodically, as requested by the county board, the personnel review board shall review, report, and make recommendations to the county board regarding personnel department services, procedures, and practices.
 - Sec. 8. [383A.289] [COMPETITIVE EXAMINATIONS.]
- Subdivision 1. [GENERAL.] Entrance to the classified service shall be through successful competition in an examination and certification and appointment from an eligible list except as provided in this section.
- Subd. 2. [TYPES OF EXAMINATIONS.] All examinations for positions in the classified service shall be job related and designed to fairly assess ability to perform the duties of the class for which the examination is given. The examination may consist of, but shall not be limited to, one or more of the following:
 - (a) written subjective or objective tests;
 - (b) physical tests;
 - (c) practical or demonstration tests;
 - (d) evaluation of training and experience;
 - (e) oral subjective or objective tests in the form of question and answer;
 - (f) interviews; or
 - (g) a supervisory evaluation of job performance.
- Subd. 3. [ELIGIBILITY FOR COMPETITIVE OPEN EXAMINA-TIONS.] Competitive open examinations shall, upon public notice, be open to all applicants who meet reasonable job related requirements fixed by the

personnel department.

- Subd. 4. [ELIGIBILITY FOR COMPETITIVE PROMOTIONAL EX-AMINATIONS.] Competitive promotional examinations shall be open only to permanent and probationary employees of the classified service. The personnel department may limit competition to employees of one or more departments or organizational units of departments, or to employees meeting specified employment requirements.
- Subd. 5. [WAIVER OF COMPETITIVE EXAMINATIONS.] The personnel department may waive the requirement for competitive examinations for positions or classifications which are unskilled or experience high turnover, or subject to approval by the county board, upon market conditions as recommended by the personnel department.

Sec. 9. [383A.291] [ELIGIBLE LISTS.]

Subdivision 1. [GENERAL.] The personnel department shall prepare eligible lists as provided in this section.

- Subd. 2. [RANK.] On competitive open and competitive promotional lists eligibles shall be ranked according to their ratings in examinations and any veteran's preference required by law.
- Subd. 3. [TERM OF ELIGIBILITY.] The term of eligibility of eligibles on lists shall be determined by the personnel department but shall not be less than six months.

Sec. 10. [383A.292] [CERTIFICATION OF ELIGIBLES.]

- Subdivision 1. [GENERAL.] The personnel department, upon the request of the appointing authority, shall certify, for both competitive open and competitive promotional positions the first five eligibles on the eligible list and all other eligibles having the same score as the fifth eligible on the list.
- Subd. 2. [EXPANDED CERTIFICATION.] The personnel department shall expand the certification beyond the first five eligibles to contain a member of not more than three underrepresented protected groups, in highest rank order, if it determines all of the following conditions are met:
- (a) the vacancy to be filled occurs in a job classification which is underrepresented by one or more protected groups, based on affirmative action goals;
- (b) the first five eligibles do not contain the name of a member of a protected group which is underrepresented for the job classification;
- (c) the protected group eligibles to be certified have achieved a minimum passing score on the competitive examination, if one has been given; and
- (d) the protected group eligibles to be certified have achieved one of the top 20 scores on the competitive examination, if one has been given, or rank in the top 50 percent on the eligible list.
- Subd. 3. [REFUSAL TO CERTIFY.] The personnel department may refuse to certify an eligible who:
- (a) is found to lack any of the requirements established for the examination for which the eligible has applied;

- (b) has been dismissed from the public service for delinquency or misconduct;
- (c) has been dismissed from the same or a similar classification within the civil service for unsatisfactory job performance;
- (d) has, directly or indirectly, given or promised to give anything of value to any person in connection with the eligible's examination, appointment, or proposed appointment; or
- (e) has made a false statement of any material fact or practiced or attempted to practice any deception or fraud in the application or examination or in securing eligibility or appointment.

When the personnel department refuses to certify an eligible, it shall, upon request of the eligible refused, furnish the eligible a statement of the reasons for the refusal. Upon receipt of relevant information from the eligible refused, the personnel department shall reconsider the refusal and may certify the eligible. An eligible shall have no further right to appeal a personnel department decision to refuse to certify the eligible.

Sec. 11. [383A.293] [NONCOMPETITIVE APPOINTMENTS.]

- Subdivision 1. [TEMPORARY APPOINTMENTS.] The personnel department may authorize the appointing authority to make a temporary appointment of not more than six months in any 12 month period. When practicable, the personnel department may certify any qualified eligible from an eligible list for the temporary appointment, but may authorize the appointment of any person deemed qualified by the appointing authority.
- Subd. 2. [PROVISIONAL APPOINTMENTS.] The personnel department may authorize the appointing authority to make a provisional appointment for a position for which there is no eligible list for a period of time determined by the personnel department not to exceed six months.

Sec. 12. [383A.294] [PROBATIONARY PERIOD.]

Subdivision 1. [GENERAL.] All appointments to positions in the classified service shall be for a probationary period which shall be not less than three months of full-time equivalent service nor more than one year of full-time equivalent service as determined by the personnel department or through collective bargaining agreements. An appointing authority may require a probationary period for transfers, reemployments, reinstatements, voluntary demotions, and appointments from layoff lists or of former employees of a different appointing authority. For employees in a collective bargaining unit the requirement of a probationary period shall be subject to applicable provisions of collective bargaining agreements.

Subd. 2. [TERMINATION DURING PROBATIONARY PERIOD] There is no presumption of continued employment during a probationary period. Terminations or demotions may be made at any time during the probationary period with or without cause and employees terminated during a probationary period shall have no further right to appeal. If during the probationary period an employee with permanent status is dismissed, the employee shall be restored to a position in his former class and department, but an employee who is serving a probationary period because his position has been reclassified and who is dismissed is not entitled to be restored to the reclas-

sified position and if he is not otherwise transferred, promoted or demoted, the layoff provisions of this act apply.

Sec. 13. [383A.295] [GRIEVANCES.]

- Subdivision 1. [DISCHARGE; SUSPENSION; DEMOTION FOR CAUSE; SALARY DECREASE.] No permanent employee in the classified service shall be discharged, suspended without pay, or reduced in pay or position, except for just cause.
- Subd. 2. [JUST CAUSE.] For purposes of this section, just cause includes, but is not limited to, failure to perform assigned duties, substandard performance, misconduct, insubordination, and violation of written policies and procedures.
- Subd. 3. [NOTICE OF DISCIPLINARY ACTION.] The appointing authority shall give a permanent classified employee written notice of the discharge, suspension without pay, or reduction in pay or position. The written notice shall include a statement of the nature of the disciplinary action, the specific reasons for the action, the effective date of the action, and a statement informing the employee of the employee's right to reply within ten working days of receipt of the notice in writing or, upon request, in person, to the appointing authority or the authority's designee. The notice shall also include a statement of the employee's right to appeal to the personnel review board within 30 days of the effective date of the disciplinary action, but an employee who elects to reply to the appointing authority may appeal within ten working days of the receipt of the authority's response to the reply. If the appointing authority has not responded within 30 days of receipt of the employee's reply, the appointing authority shall be deemed to have replied unfavorably to the employee. A copy of the disciplinary action notice and the employee's reply shall be filed with the personnel department.
- Subd. 4. [APPEAL PROCESS.] (a) [HEARING.] Within ten days of receipt of the employee's written notice of appeal, the personnel review board shall assign a hearing officer or examiner to hear the appeal. The hearing shall be conducted as a contested case and both the employee and appointing authority shall be entitled to present facts at the hearing. The burden of proof shall be on the appointing authority to establish the basis for its disciplinary action by a preponderance of the evidence. A record shall be kept of the hearing at the expense of the personnel review board. The hearing officer or examiner may subpoena and require the attendance of witnesses and the production of any relevant documents and may administer oaths to witnesses.
- (b) [HEARING REPORT.] Within 30 days of receipt of the request by the personnel review board to conduct a hearing, the hearing officer or examiner shall recommend to the personnel review board an appropriate disposition of the grievance which shall be in writing and contain findings of fact and conclusions.
- (c) [DECISION OF PERSONNEL REVIEW BOARD.] Within 30 days of receipt of the hearing officer's or examiner's recommendation, the personnel review board shall act to modify, reject, or accept the recommendation. If the personnel review board fails to act within 30 days after receipt of the recommendation, it shall be deemed to have accepted the recommendation of the

hearing officer or examiner recommending final disposition of the grievance. The personnel review board shall not conduct a hearing prior to modifying, accepting, or rejecting the recommendation of the hearing examiner but shall confine its review to the record established before the hearing examiner and no party to the appeal shall have a right to a hearing de novo before the personnel review board.

- (d) [APPEAL OF PERSONNEL REVIEW BOARD DECISION.] The decision of the personnel review board shall be the final decision regarding the employee's grievance appeal. The decision may be appealed to district court within 30 calendar days after its receipt, by the appointing authority or by the employee. The appeal shall be decided by the court upon the board's record. The decision of the board may be reversed if the hearing record contains no evidence upon which the personnel review board could have reached its decision or if the personnel review board abused its discretion.
- (e) [EFFECT OF PERSONNEL REVIEW BOARD DECISION.] The personnel review board decision shall be binding on both the employee and the appointing authority unless on appeal the decision is stayed, modified, or reversed by the district court.
- (f) [PROPER PARTY TO LITIGATION.] Ramsey county and not the personnel review board, shall be a proper party to an appeal or any litigation arising out of this act.

The personnel review board shall have no right to sue or be sued under this act. The county attorney of Ramsey county shall represent the county in any litigation arising out of this act.

Subd. 5. [COLLECTIVE BARGAINING AGREEMENTS.] Procedures for discipline and discharge of employees covered by collective bargaining agreements shall be governed by the agreements, to the extent that the agreements are inconsistent with this act. In no event may an employee use both the procedure under this section and the grievance procedure available pursuant to sections 179.61 to 179.76.

Sec. 14. [383A.296] [CONDITIONS OF EMPLOYMENT.]

Subdivision 1. [BENEFITS.] The personnel department shall have the authority to set hours of employment, sick leave, vacation leave, leave of absence without pay, health insurance, life insurance, and other fringe benefits for employees in the classified and unclassified service subject to the approval of the county board and in accordance with the law.

- Subd. 2. [LAYOFFS.] The personnel department shall promulgate rules and regulations providing for the layoff of employees on the basis of the employee's seniority.
- Subd. 3. [RETIREMENT.] Employees in the classified and unclassified service, except for elected officials, shall be retired no later than the first day of the month after the month in which the employee reached the age of 70.

Sec. 15. [383A.297] [MISCONDUCT.]

No person shall interfere with the rights of any person in the examination process, or falsely mark, grade, or report the examination or standing of any person examined or aid in so doing, or furnish to any person, except in an-

swer to inquiries of the personnel review board, any information for the purpose of changing the rating of any person. No applicant or employee shall falsify an application or record for the purpose of improving prospects for employment. No person shall by means of threats or coercion induce or attempt to induce any person holding a position in the classified service to resign. A violation of this section is cause for dismissal, other discipline, or disqualification from the classified service of the county. In addition to other legal remedies, violations may be enjoined.

Sec. 16. [383A.298] [POLITICAL ACTIVITY.]

No employee in the classified service shall be under any obligation to contribute to a political service or fund to any person, body, or committee, and no employee in the classified service may be discharged, suspended, demoted, or otherwise disciplined or prejudiced for refusal to do so. All employees in the classified and unclassified service shall be subject to the prohibition on political activities set forth in Minnesota Statutes, section 210A.081.

Sec. 17. [383A.299] [TRANSITIONAL PROVISIONS.]

All employees of the civil service department shall be transferred to the personnel department. All members of the civil service commission shall be members of the personnel review board and serve until their current term expires and a successor is appointed.

- Sec. 18. Minnesota Statutes 1982, section 383A.41, subdivision 5, is amended to read:
- Subd. 5. [POWERS AND DUTIES OF COMMISSION.] The commission is responsible for the operation, administration, management and control of the Saint Paul-Ramsey Medical Center, may carry malpractice insurance for the medical center medical and nonmedical staff and pay the premiums therefor. The commission may appoint and, at its pleasure, remove a chief executive officer of the medical center and seven principal assistants. The commission may employ other personnel it determines are necessary for the performance of its duties. The commission's employees are subject to the Ramsey county eivil service personnel system law and the rules related to it. The commission shall reimburse the county eivil service personnel department for its services for the commission's classified employees and the reimbursement is to be credited to the eivil service personnel department budget. The county board shall be the employer of the commission employees for purposes of sections 179.35 to 179.38.

Sec. 19. [DEFINITION.]

When it appears in sections 1 to 17, the term 'this act' and related terms refer to sections 1 to 17.

Sec. 20. [REPEALER.]

Minnesota Statutes 1982, sections 383A.28, as amended by Laws 1983, chapter 274, section 12; 383A.29; 383A.30; and 383A.31, are repealed.

Sec. 21. [EFFECTIVE DATE.]

This act is effective the day after the filing of a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3, by

the Ramsey county board."

Amend the title as follows:

Page 1, line 7, after "sections" insert "383A.28, as amended;" and after "383A.30;" insert "and" and after "383A.31" delete "; and" and insert a period

Page 1, delete line 8

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1951: A bill for an act relating to agriculture; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, strike the second comma

Page 2, line 3, strike "which may"

Page 2, line 4, strike "impose a reasonable inspection" and strike "fee"

Amend the title as follows:

Page 1, line 2, delete "agriculture" and insert "local government"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2061: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CONVEYANCE OF STATE LAND; KOOCHICHING COUNTY.]

Subdivision 1. The state is the owner of Government Lot Seven, Section Twenty-five, Township Seventy-one North, Range Twenty-three West, in Koochiching County.

Subd. 2. A cabin was inadvertently built on this state property in 1958 and has been owned, occupied, and improved since it was built.

Subd. 3. Notwithstanding the provisions of Minnesota Statutes, section 92.45 to the contrary, the commissioner of natural resources may offer for sale and sell, in the manner provided for the sale of other trust fund lands, the following described land, except that the value of the improvements on the land shall be appraised separately. If, at the sale of the land Rohl Peterson is the purchaser, he shall not be required to pay for the improvements upon furnishing an affidavit showing that the improvements were paid by him. The land which the commissioner may offer for sale and sell is described as:

That part of Government Lot 7 of Section 25, Township 71

North, Range 23 West, Koochiching County, Minnesota,

described as follows:

Commencing at the southwest corner of Lot 1, LAKEVIEW, according to the plat thereof as surveyed by R.E. Martin, said plat being on file and of record in the office of the County Recorder, Koochiching County, Minnesota; thence on an assumed bearing of North 75 degrees 39' 24'' East, 62.01 feet along the southerly line of said Lot 1 to the west line of said Government Lot 7 and the point of beginning;

thence North 75 degrees 39' 24'' East, 38.80 feet; thence North 00 degrees 39' 24'' East, 302 feet, more or less, to the water's edge of Rainy Lake; thence southwesterly 45 feet, more or less, along said water's edge to the west line of said Government Lot 7; thence South 00 degrees 44' 31'' East, 298 feet, more or less, along said west line to the point of beginning.

Including all riparian rights to the contained 0.3 acres, more or less.

Subd. 4. If a person other than Rohl Peterson purchases the land, the purchaser shall pay in cash to the state at the time of sale, in addition to all other required payments, the full amount for which the improvements are appraised. The amount so received by the state for the improvements shall be paid over by the state treasurer, with the approval of the commissioner of finance, to Rohl Peterson or his successor in interest as compensation therefor, and the moneys required for the payment are appropriated for this purpose.

Sec. 2. [EFFECTIVE DATE.]

Section I is effective the day following its final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2067: A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

Reports the same back with the recommendation that the bill do pass and be

re-referred to the Committee on Finance. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2148: A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1403: A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, delete "state,"

Page 1, line 10, after "local" delete the comma

Page 1, line 11, after "boards" delete the comma and insert "and"

Page 1, line 11, after "districts" delete the comma and insert "and all state"

Page 1, line 11, after "agencies" delete the comma and insert "and"

Page 1, line 11, after "departments" delete ", and other"

Page 1, line 12, delete "authorities"

Page 1, lines 14 and 16, after "board" insert "on February 12, 1981"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 2009: A bill for an act relating to state lands; conveying certain lands to the city of Melrose.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, delete "Despite" and insert "Notwithstanding" and delete "laws, ordinances, or charter provisions" and insert "law"

Page 1, line 8, delete "is authorized to"

Page 1, line 9, delete "and shall" and insert "may"

Page 1, line 13, delete ", and"

Page 1, delete line 17 and insert "Upon payment by the city of the com-

missioner's appraised value, the"

Page 1, line 20, delete "only" and delete "any minerals or"

Page 1, line 21, delete "of Minnesota"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 2037: A bill for an act relating to parks; providing for the conveyance of certain land for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1982, section 84B.03, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 2145: A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 9, after "contracts" insert "with or without advertisement for bids"
 - Page 1, line 12, delete "with or without advertisement for bids"
- Page 1, line 12, after the period, insert "If a county contract is let by negotiation, without advertising for bids, the county shall conduct the negotiation and award the contract using a fair and open procedure and in full compliance with Minnesota Statutes, section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1605: A bill for an act relating to taxation; imposing a tax on the transfer of motor vehicles; dedicating the proceeds of the tax for the screening or removal of salvage yards adjacent to trunk highways; appropriating money; amending Minnesota Statutes 1982, section 161.242, subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, chapter 161.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 161.242, subdivision 3, is amended to read:
- Subd. 3. [UNAUTHORIZED JUNK YARDS PROHIBITED.] (1) No (a) A junk yard may not exist or be operated outside a zoned or unzoned industrial area, including those located on public lands and reservations of the United States, unless it be is screened so as to effectively conceal it from the view of motorists using the highway. The screening required by this section may be effected by trees, shrubs, or foliage, natural objects, fences or other appropriate means as determined by standards established by the commissioner. Plantings which that will eventually achieve effective screening shall be acceptable. Plantings shall be used in connection with any fence or other non-natural screening device.
- (2) Any such (b) A portion of a junk yard or portion thereof which that cannot be effectively be screened shall must be removed or relocated pursuant to under the provisions of this section on or before July 1, 1979. Any such A junk yard lawfully existing on along a highway which that is made a part of the trunk highway system after January 1, 1975, and becomes nonconforming thereby shall be effectively screened or removed or relocated within four years thereafter. Any junk yard which that comes into existence after July 1, 1971 which that does not conform to this section, or which that becomes nonconforming after July 1, 1971, or which that becomes nonconforming after action by the commissioner pursuant to this section, is hereby declared to be a public nuisance and illegal, and the commissioner may enter upon the land where the junk yard is located and may screen the same, or may relocate or dispose of the junk yard after 90 days notice to the owner or dealer thereof, if known, or to the owner of the land. In this event, no compensation shall be paid to the owner or dealer or owner of the land, and the commissioner may collect recover the cost of screening, removal, relocation or disposal from the owner or dealer, if known, or from the owner of the land upon which the junk yard is located. Any costs recovered by the commissioner shall be deposited in the general fund and credited to the salvage yard account.
- (3) (c) None of the articles commonly found in junk yards shall be allowed to remain on the grounds for more than 24 hours unless within the buildings or the properly screened area as provided herein, nor shall any junk in any junk yard be allowed to extend above existing or planned screening so as to be visible from the highway.
- Sec. 2. Minnesota Statutes 1982, section 161.242, subdivision 4, is amended to read:
- Subd. 4. [AUTHORITY; ENFORCEMENT.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights

and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. The eommissioner shall not expend any money to acquire rights or interests in junk yards under this section, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress for junk yards described in Title 23, United States Code, Section 136(j) and the federal share has been made available to the commissioner. All costs described herein shall be necessary for a highway purpose.

Sec. 3. [161.243] [TRANSFER TAX.]

Subdivision 1. [TAX IMPOSED.] A tax of \$1 is imposed on the initial sale and each subsequent transfer of title within the state, other than transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds. The tax shall be collected by the motor vehicle registrar. Registration plates or certificates may not be issued by the motor vehicle registrar for the ownership or operation of a motor vehicle subject to the transfer tax unless the tax is paid. The tax is not imposed on the transfer of:

- (1) a previously registered vehicle if the transfer is to the same person;
- (2) vehicles subject to the conditions specified in section 297A.25, subdivision 1, clause (j);
- (3) common carrier vehicles engaged in interstate commerce, licensed and operating under interstate commerce commission requirements; and
- (4) vehicles purchased in another state by a resident of another state if the purchaser is transferring title to this state and has become a resident of this state after the purchase and more than 60 days have elapsed after the date of purchase.
- Subd. 2. [TAX PROCEEDS; APPROPRIATION.] The tax collected shall be deposited in the general fund of the state treasury and credited to the salvage yard account. The legislature may annually appropriate from the salvage yard account to the commissioner of transportation the amount necessary to pay the costs incurred under section 161.242, subdivisions 3 and 4.
 - Subd. 3. [TAX REPEALED.] This section is repealed July 1, 1988.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective for transfers of motor vehicles after July 31, 1984."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1449: A bill for an act relating to game and fish; authorizing reciprocity with Wisconsin in the purchase and sale of annual hunting and fishing licenses; proposing new law coded in Minnesota Statutes, chapter 98.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, after the period, insert "As part of the agreement the

commissioners of natural resources in Minnesota and Wisconsin must establish a standard for defining real property ownership."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1982: A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 16.823, subdivision 2; 35.02, subdivision 1; 116E.02, subdivision 2; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 40.03, subdivision 1; 116C.82, subdivision 2; 116E.02, subdivision 1; 250.05, subdivision 2; and 299B.05, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, after "may" insert ", upon notification to the office of secretary of state,"

Page 2, delete section 4

Pages 3 to 5, delete sections 6, 7 and 8

Page 5, line 28, strike "to be" and insert ", three"

Page 5, line 29, before the comma, insert "and three appointed by the commissioner of education"

Page 6, line 24, strike everything after the period

Page 6, strike lines 25 and 26

Pages 6 and 7, delete section 10

Pages 7 and 8, delete section 13

Page 8, lines 28 and 30, delete "corrections" and insert "public safety"

Page 9, after line 21, insert:

"Sec. 10. [REPEALER.]

Minnesota Statutes 1982, section 116E.02, subdivision 2, is repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "16.823, subdivision 2; 35.02,"

Page 1, line 9, delete "subdivision 1; 116E.02, subdivision 2;"

Page 1, line 12, delete "40.03, subdivision 1;"

Page 1, line 13, delete "116C.82, subdivision 2;"

Page 1, line 14, delete "250.05, subdivision 2;" and before the period, insert "; repealing Minnesota Statutes 1982, section 116E.02, subdivision

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1976: A bill for an act relating to regulated industries; changing conditions that regulate the telecast of games at metropolitan sports facilities; amending Minnesota Statutes 1982, section 473,568, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [METROPOLITAN SPORTS FACILITY; TICKET PUR-CHASE AGREEMENTS.

The repeal of sections 473.568 and 473.581, subdivision 3, clause (m), is based solely upon the continued effectiveness of the agreement or agreements entered into by the metropolitan sports facilities commission and the purchaser or purchasers of tickets of admission as provided for by Laws 1979, chapter 203, section 8. Such agreements shall remain in effect throughout their terms and the commission shall have no authority to terminate or modify such agreements.

- Sec. 2. Minnesota Statutes 1982, section 473.581, subdivision 3, is amended to read:
- Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the total cost of constructing the facility under the construction contracts, not including costs paid from funds provided by others, and the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$42,000,000. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to \$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to \$25,000,000. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of 7-1/2 percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition

and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

- (a) The commission has executed agreements with major league professional baseball and football organizations to use its sports facilities for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the commission's sports facilities. The agreements may contain provisions negotiated between the organizations and the commission which provide for termination upon conditions related and limited to the bankruptcy, insolvency, or financial capability of the organization. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission but excluding proceeds of the taxes under section 473.592, to pay all expenses of operation, maintenance, administration, and debt service for the facilities used by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the sports facility may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.
- (b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).
- (c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission, to construct or remodel and to furnish the sports facilities proposed by the commission, including the appropriate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).
- (d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of any proposed sports facilities or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acqui-

sition of title and possession of the real property is conditioned.

- (e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of any proposed sports facilities of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.
- (f) The commission has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.
- (g) The commission has executed agreements which will provide for the construction of its sports facilities for a certified construction price and completion date and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred over and above the certified price, including but not limited to costs incurred by the commission or loss of revenues resulting from incomplete construction on the completion date.
- (h) The environmental impact statement for the sports facility or facilities has been accepted by the environmental quality board, and the pollution control agency and any other department, agency, or unit of government have taken the actions necessary to permit the construction of the sports facility or facilities.
- (i) At least 50 percent of the private boxes provided for in the commission's proposal for the sports facility or facilities are sold or leased for at least five years.
- (j) The anticipated revenue from the operation of the sports facility or facilities plus any additional available revenue of the commission and the revenue from the taxes under section 473.592 will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.
- (k) The commission has studied and considered the needs of the University of Minnesota for athletic facilities for a prospective 20 year period.
- (1) The municipality where the facility is to be constructed has entered into an agreement as contemplated in section 473.592.
- (m) The commission has entered into an agreement or agreements with a purchaser or purchasers of tickets of admission for a period of not less than 20 years which will assure that, if the professional football organization cannot comply with the provisions of section 473.568, whenever more than 90 and less than 100 percent of the tickets of admission for seats at any professional football game, which were available for purchase by the general public 120 hours or more before the scheduled beginning time of the game either at the sports facility where the game is to be played or at the box office closest to the sports facility, have been purchased 72 hours or more before the beginning time of the game, then all of such tickets which remain unsold will be purchased in sufficient time to permit the telecast to areas within the state which otherwise would not receive the telecast because of the terms of an agreement

in which the professional football league has sold or otherwise transferred all or part of the rights of the league's member organizations in the sponsored telecasting of games of the organizations. The party or parties agreeing to the purchase of such unsold tickets shall be obligated for a period of at least 20 years in an amount determined by the council to be sufficient to assure the purchase of all such unsold tickets. An agreement or agreements satisfying the requirements of this clause shall free the professional football organization from the prohibition otherwise imposed on it by section 473.568.

(n) (m) The council has entered into an agreement with the brokerage firm or brokerage firms to be used in connection with the issuance and sale of the bonds guaranteeing that fees and charges payable to the brokerage firm or firms in connection therewith, including any underwriting discounts, shall not exceed fees and charges customarily payable in connection with the issuance and sale of bonds secured by the pledge of the full faith and credit of the municipality in which any new sports facility is to be located.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Sec. 3. [REPEALER.]

Minnesota Statutes 1982, section 473.568, is repealed."

Amend the title as follows:

Page 1, line 5, delete "473.568, subdivision 1" and insert "473.581, subdivision 3; repealing Minnesota Statutes 1982, section 473.568"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1408: A bill for an act relating to state departments and agencies; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16.02, subdivisions 18 and 24; 16.243, subdivision 1; 16.753, subdivision 5; and 645.445, subdivision 5;

and Minnesota Statutes 1983 Supplement, sections 16.75, subdivision 7; and 176.011, subdivision 9.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 16A.065, is amended to read:

16A.065 [ADVANCE PAYMENTS AND DEPOSITS.]

Notwithstanding any other law to the contrary, the commissioner of finance may allow advance deposits or payments by any department for the procurement of software or software maintenance services for state-owned or leased electronic data processing equipment, and may allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

Sec. 2. [16A.722] [REIMBURSEMENT FOR LOSS OR DAMAGE TO STATE PROPERTY, USE OF PROCEEDS.]

Notwithstanding any other law to the contrary, a state department or agency that receives a reimbursement for the loss of or damage to state property may deposit the reimbursement in the current year's account. The reimbursement is reappropriated for the purpose of replacing or repairing the state property.

COMMISSIONER OF ADMINISTRATION

Sec. 3. [16B.01] [DEFINITIONS.]

Subdivision 1. For purposes of chapter 16B, the following terms have the meanings given them, unless the context clearly indicates otherwise:

- Subd. 2. [AGENCY.] "Agency" means any state officer, employee, board, commission, authority, department, or other agency of the executive branch of state government.
- Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of administration.
- Subd. 4. [STATE CONTRACT.] "State contract" means any written instrument containing the elements of offer, acceptance and consideration to which a state agency is a party.
- Subd. 5. [SUPPLIES, MATERIALS, AND EQUIPMENT.] "Supplies," "materials," and "equipment" includes articles and things used by or furnished to an agency, including printing, binding, and publication of books and records, repairs, and improvements.
- Subd. 6. [UTILITY SERVICES.] "Utility services" includes telephone, telegraph, postal, electric light, and power service, and all other services required for the maintenance, operation, and upkeep of buildings and offices.

Sec. 4. [16B.02] [DEPARTMENT OF ADMINISTRATION.]

The department of administration is under the supervision and control of the commissioner of administration, who is appointed by the governor under

section 15.06.

Sec. 5. [16B.03] [APPOINTMENTS.]

The commissioner is authorized to appoint staff, including a deputy commissioner, in accordance with chapter 43A.

Sec. 6. [16B.04] [AUTHORITY.]

Subdivision 1. [RULEMAKING AUTHORITY.] Subject to chapter 14, the commissioner may adopt, amend, and rescind rules relating to any purpose, responsibility, or authorization in chapter 16B. Rules adopted must comply with any provisions in chapter 16B which specify or restrict the adoption of particular rules.

- Subd. 2. [POWERS AND DUTIES, GENERAL.] Subject to other provisions of this chapter, the commissioner is authorized to:
- (1) supervise, control, review, and approve all state contracts and purchasing;
- (2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;
- (3) approve all computer plans and contracts, and oversee the state's data processing system;
- (4) investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;
 - (5) manage and control state property, real and personal;
- (6) maintain and operate all state buildings including the state capitol building and grounds;
- (7) supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;
 - (8) provide central duplicating, printing, and mail facilities;
 - (9) oversee publication of official documents and provide for their sale;
- (10) manage and operate parking facilities for state employees and a central motor pool for travel on state business; and
 - (11) establish and administer a state building code.
- Subd. 3. [DELEGATION FROM GOVERNOR.] The governor, unless otherwise provided by law, may delegate to the commissioner the administration of programs and projects of the office of the governor directed by either state or federal law, or which may be made available to the state under a grant of funds either public or private. Unless specifically prohibited by law, the governor may delegate to the commissioner general supervision of any program or activity of any agency the head of which is either appointed by the governor or by a gubernatorially appointed board. The provisions of this subdivision shall not be construed as authority to transfer programs or activities, or part of them, from one department to another.

Sec. 7. [16B.05] [DELEGATION BY COMMISSIONER.]

Subdivision 1. [DELEGATION OF DUTIES BY COMMISSIONER.]

The commissioner may delegate duties imposed by this chapter to the head of an agency and to any of his subordinates. Delegated duties are to be exercised in the name of the commissioner and under his supervision and control.

Subd. 2. [FACSIMILE SIGNATURES.] When authorized by the commissioner, facsimile signatures may be used by personnel of the department of administration in accordance with his delegated authority and his instructions, copies of which shall be filed with the commissioner of finance, state treasurer, and the secretary of state. A facsimile signature, when used in accordance with his delegated authority and his instructions, is as effective as an original signature.

CONTRACTS AND PURCHASES

Sec. 8. [16B.06] [CONTRACT MANAGEMENT AND REVIEW.]

Subdivision 1. [DUTIES OF COMMISSIONER.] (a) [CONTRACT MANAGEMENT.] The commissioner shall perform all contract management and review functions for state contracts, except those functions performed by the contracting agency, the attorney general, or the commissioner of finance. All agencies shall fully cooperate with the commissioner in the management and review of state contracts. A delegation of the commissioner's duties under this section to the head of an agency must be filed with the secretary of state and may not, except with respect to delegations within the department of administration, exceed two years in duration.

- (b) [PURCHASING.] The commissioner shall purchase, rent, or otherwise provide for the furnishing of all supplies, materials, equipment, and utility services. The commissioner may lease, rent, or sell supplies, equipment, and services to agencies. The commissioner shall purchase from the state correctional institutions, the University of Minnesota, and other state institutions all articles manufactured by them which are usable by the state. All purchase orders must be made on a form prescribed by the attorney general.
- Subd. 2. [VALIDITY OF STATE CONTRACTS.] A state contract or lease is not valid and the state is not bound by it until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or a delegate, under this section, by the attorney general or a delegate as to form and execution, and by the commissioner of finance or a delegate who shall determine that the appropriation and allotment have been encumbered for the full amount of the contract liability. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within his agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state. A copy of every contract or lease extending for a term longer than one year must be filed with the commissioner of finance.
- Subd. 3. [CONTRACT ADMINISTRATION.] Upon entering into a state contract, an agency bears full responsibility for the diligent administration and monitoring of the contract. The commissioner may require an agency to report to the commissioner at any time on the status of any outstanding state contract to which the agency is a party.
- Subd. 4. [SUBJECT TO AUDIT.] A contract made by or under the supervision of the commissioner, an agency, or any county or unit of local gov-

ernment shall include an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor relevant to the contract are subject to examination by the contracting agency, and either the legislative auditor or the state auditor as appropriate.

Subd. 5. [AUTHORITY OF ATTORNEY GENERAL.] The attorney general may sue to avoid the obligation of an agency to pay under a state contract or to recover payments made if services performed under the contract are so unsatisfactory, incomplete, or inconsistent with the price that payment would involve unjust enrichment. The contrary opinion of the contracting agency does not affect the power of the attorney general under this subdivision.

Sec. 9. [16B.07] [COMPETITIVE BIDS.]

Subdivision 1. [APPLICATION.] Except as otherwise provided by this chapter, all contracts for construction or repairs and all purchases of and all contracts for supplies, materials, purchase or rental of equipment, and utility services must be based on competitive bids, and all sales of property must be to the highest responsible bidder after advertising for bids pursuant to this section.

- Subd. 2. [REQUIREMENT CONTRACTS.] Standard requirement price contracts for supplies or services to be purchased by the state must be established by competitive bids. The standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. The term of these contracts may not exceed two years with an option on the part of the state to renew for an additional two years.
- Subd. 3. [PUBLICATION OF NOTICE; EXPENDITURES OVER \$5,000.] If the amount of an expenditure or sale is estimated to exceed \$5,000, sealed bids must be solicited by public notice inserted at least once in a newspaper or trade journal not less than seven days before the final date of submitting bids. The commissioner shall designate the newspaper or trade journal for that publication, and may designate different newspapers or journals according to the nature of the purchase or contract. The commissioner shall also solicit sealed bids by sending notices by mail to all prospective bidders known to the commissioner, and by posting notice on a public bulletin board in the commissioner's office at least five days before the final date of submitting bids. All bids must be sealed when they are received and must be opened in public at the hour stated in the notice. All original bids and all documents pertaining to the award of a contract must be retained and made a part of a permanent file or record and remain open to public inspection.
- Subd. 4. [PURCHASES, SALES, OR RENTALS; \$5,000 OR LESS.] All purchases or sales the amount of which is estimated to be \$5,000 or less may be made either upon competitive bids or in the open market, in the discretion of the commissioner. So far as practicable, however, they must be based on at least three competitive bids which must be permanently recorded.
- Subd. 5. [STANDARD SPECIFICATIONS, SECURITY.] Contracts and purchases must be based on the standard specifications prescribed and enforced by the commissioner under this chapter, unless otherwise expressly

provided. Each bidder for a contract must furnish security approved by the commissioner to insure the making of the contract for which he bids.

Sec. 10. [16B.08] [BIDS NOT REQUIRED.]

Subdivision 1. [UTILITY SERVICES.] Competitive bids are not required for utility services where no competition exists or where rates are fixed by law or ordinance.

- Subd. 2. [SINGLE SOURCE OF SUPPLY.] Competitive bidding is not required for purchases clearly and legitimately limited to a single source of supply, and the purchase price may be best established by direct negotiation.
- Subd. 3. [AUCTION IN LIEU OF BIDS.] The commissioner, in lieu of advertising for bids, may sell buildings and other personal property owned by the state and not needed for public purposes at public auction to the highest responsible bidder. A sale under this subdivision may not be made until publication of notice of the sale in a newspaper of general circulation in the area where the property is located and any other advertising the commissioner directs. Any of the property may be withdrawn from the sale prior to the completion of the sale unless the auction has been announced to be without reserve. If the sale is made at public auction a duly licensed auctioneer must be retained to conduct the sale. The auctioneer's fees must be paid from the proceeds from which an amount sufficient to pay them is appropriated.
- Subd. 4. [NEGOTIATED CONTRACTS.] In lieu of any of the other requirements of this chapter, the commissioner may negotiate a contract for public work to be performed at a state owned institution or installation if the cost does not exceed \$5,000 and if the head of the affected state agency requests the commissioner to do so. The commissioner shall have prepared whatever plans and specifications for the public work he deems necessary to protect the public interest. Contractor's bonds or security pursuant to chapter 574 are not required for contracts entered into pursuant to this subdivision.
- Subd. 5. [FEDERAL GENERAL SERVICES ADMINISTRATION PRICE SCHEDULES.] Notwithstanding anything in this chapter to the contrary, the commissioner may, instead of soliciting bids, contract for purchases with suppliers who have published schedules of prices effective for sales to the General Services Administration of the United States. These contracts may be entered into, regardless of the amount of the purchase price, if the commissioner considers them advantageous and if the purchase price of all the commodities purchased under the contract do not exceed the price specified by the schedule.
- Subd. 6. [EMERGENCY PURCHASES.] In emergencies the commissioner may, without calling for bids, contract directly for the repair, rehabilitation, and improvement of a state owned structure or may authorize an agency to do so, and may purchase or may authorize an agency to purchase directly supplies, materials, equipment, or utility services for immediate use. An emergency for the purposes of this subdivision is an unforeseen occurrence or combination of circumstances which calls for immediate action in the public interest.
- Subd. 7. [SPECIFIC PURCHASES.] The following may be purchased without regard to the competitive bidding requirements of this chapter:
 - (1) fiber used in the manufacture of binder twine, ply twines, and rope at

the state correctional facilities;

- (2) merchandise for resale at state park refectories or facility operations;
- (3) farm and garden products, which may be sold at the prevailing market price on the date of the sale;
- (4) meat for other state institutions from the vocational school maintained at Pipestone by Independent School District No. 583; and
 - (5) furniture from the Minnesota correctional facility-St. Cloud.

Sec. 11. [16B.09] [CONTRACTS AND PURCHASES, AWARD.]

Subdivision 1. [LOWEST RESPONSIBLE BIDDER.] All state contracts and purchases made by or under the supervision of the commissioner or an agency for which competitive bids are required must be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids. The commissioner may decide which is the lowest responsible bidder for all purchases. As to contracts other than for purchases, the head of the interested agency shall make the decision, subject to the approval of the commissioner. Any bid may be rejected. In a case where competitive bids are required and where all bids are rejected, new bids, if solicited, must be called for as in the first instance, unless otherwise provided by law.

- Subd. 2. [ALTERATIONS AND ERASURES.] A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid must be rejected unless the alteration or erasure is corrected pursuant to this subdivision. An alteration or erasure may be crossed out and the correction printed in ink or typewritten adjacent to it and initialed in ink by the person signing the bid.
- Subd. 3. [SPECIAL CIRCUMSTANCES.] The commissioner may reject the bid of any bidder who has failed to perform a previous contract with the state. In the case of identical low bids from two or more bidders, the commissioner may, in his discretion, use negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price.
- Subd. 4. [RECORD.] A record must be kept of all bids, including names of bidders, amounts of bids, and each successful bid. This record is open to public inspection.

Sec. 12. [16B.10] [RECIPROCAL PREFERENCE.]

Subdivision 1. [RESIDENT PREFERENCE.] When a public contract is to be awarded to the lowest responsible bidder a resident bidder must be given preference over a nonresident bidder from a state which gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidder.

Subd. 2. [DEFINITION.] "Resident bidder" as used in this section means a person, firm, or corporation authorized to engage in business in the state of Minnesota and having a bona fide establishment for doing business within the state of Minnesota on the date when any bid for a public contract is first advertised or announced, and includes a foreign corporation authorized to engage in business in Minnesota and having a bona fide establishment for the

doing of business within the state.

- Subd. 3. [EXCEPTION.] The provisions of subdivisions 1 and 2 do not apply to a contract for a project for which federal funds are available.
- Sec. 13. [16B.11] [PREFERENCE FOR MINNESOTA CONTRACTORS.]
- Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:
- (a) "Municipality" has the meaning assigned to it in section 471.345, subdivision 1;
- (b) "Public agency" includes all state agencies, the University of Minnesota, the state university board, and the state board for community colleges;
 - (c) "Resident" means:
- (1) any individual who has been a resident of Minnesota for one year or more immediately prior to bidding on or performing work under the contract;
- (2) any partnership or association whose members have been residents of Minnesota for one year or more immediately prior to bidding on or performing work under the contract; and
- (3) a corporation, incorporated in Minnesota, which has been in existence for one year or more immediately prior to bidding on or performing work under the contract, or which has its principal place of business in Minnesota; and
- (d) "State agency" means an agency as defined in section 14.02, subdivision 2.
- Subd. 2. [RESIDENT CONTRACTORS PREFERRED.] Notwithstanding any other law to the contrary, a contract awarded by a public agency for the engineering services, erection, construction, alteration, or repair of a public building or structure, or for any public work or improvement for which competitive bidding is not required by law, must be awarded to a Minnesota resident. If competitive bidding is required by law, the contract must be awarded to the resident making the lowest responsible bid if the resident's bid is not more than ten percent higher than the lowest responsible nonresident bid. A successful resident bidder may not subcontract more than 20 percent of the work covered by the contract to nonresident subcontractors.
- Subd. 3. [MINNESOTA LABOR PREFERRED.] All contracts subject to subdivision 2 must require that, wherever possible, resident laborers, workers, and mechanics be used to perform all work covered by the contract.
- Subd. 4. [PREFERENCE SUBJECT TO FEDERAL LAW.] The provisions of this section are subject to applicable laws of the United States and regulations of federal agencies governing the use and payment of funds granted or advanced by the United States.
- Sec. 14. [16B.12] [PREFERENCE FOR MINNESOTA AND AMERICAN MADE MATERIALS.]
- Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

- (a) "Public agency" has the meaning assigned to it in section 13, subdivision 1, clause (b), and includes any contractor acting pursuant to a contract with a public agency;
- (b) "Materials" means any goods, supplies, equipment or any other tangible products or materials, including foods;
- (c) "Manufactured" means mined, grown, produced, manufactured, fabricated or assembled;
- (d) "Manufactured in Minnesota" means manufactured in whole or in substantial part within Minnesota, or that the majority of its components were manufactured in whole or in substantial part in Minnesota, or manufactured in the United States by an individual, corporation, partnership or association;
- (e) "Manufactured in the United States" means manufactured in whole or in substantial part within the United States or that the majority of the component parts thereof were manufactured in whole or in substantial part in the United States;
 - (f) "Purchase" means acquire by purchase or lease.
- Subd. 2. [PURCHASE PREFERENCE.] Notwithstanding the provisions of any other law to the contrary, no materials may be purchased by a public agency for use for governmental purposes which are not manufactured in Minnesota or the United States, except as may be provided in this section. When all other factors are substantially equal, preference must be given first to those products which are manufactured to the greatest extent in Minnesota, and second to those products which are manufactured to the greatest extent in the United States. To the extent possible, specifications must be written so as to permit the public agency to purchase materials manufactured in Minnesota.
- Subd. 3. [EXEMPTIONS.] Subdivision 2 does not apply if the person having contracting authority in respect to the purchase determines that (1) the materials are not manufactured in Minnesota or the United States in sufficient or reasonably available quantities, (2) the price or bid of the materials exceeds by more than ten percent the price or bid of available and comparable materials manufactured outside of Minnesota or the United States, (3) the quality of the materials is substantially less than the quality of comparably priced available materials manufactured outside of Minnesota or the United States, or (4) the purchase of the materials manufactured in Minnesota or the United States is otherwise not in the public interest. Subdivision 2 also does not apply if the materials are purchased with a view to commercial resale or with a view to use in the production of goods for commercial sale.

SPECIAL PURCHASING SITUATIONS

Sec. 15. [16B.13] [ADVERTISEMENT OF HIGHWAY CONTRACTS.]

Notwithstanding anything in chapter 16B to the contrary, all contracts for the repair, improvement, maintenance, or construction of highways or highway bridges must be advertised and let as provided by law for highway construction contracts.

Sec. 16. [16B.14] [CERTAIN VEHICLES.]

Upon the written request of the commissioner of public safety, motor vehicles for specific use by investigative and undercover agents of the department of public safety must be purchased by the brand make and model. All other provisions of this chapter relating to competitive bidding apply to purchases covered by this section.

- Sec. 17. [16B.15] [ELECTRONIC DATA PROCESSING EQUIP-MENT.]
- Subdivision 1. [COMMISSIONER MAY REJECT BIDS.] The commissioner may reject all bids for electronic data processing equipment, related equipment, and software and may negotiate a contract for this equipment if the commissioner finds the bids to be unsatisfactory because of failure to fully comply with the specifications, terms, and conditions of the call for bids. The contract must be awarded to the vendor offering the lowest price to the state taking into consideration the specifications, terms, and conditions agreed upon pursuant to negotiation.
- Subd. 2. [EQUIPMENT.] The commissioner may purchase, sell, repurchase or otherwise undertake the acquisition, rental or disposal of electronic data processing equipment as best serves the interests of the state, provided, however, the commissioner shall adhere to the competitive bidding requirements of chapter 16.
- Sec. 18. [16B.16] [ENERGY EFFICIENCY INSTALLMENT PURCHASES.] The commissioner shall contract to purchase by installment payments capital or other equipment or services intended to improve the energy efficiency of a state building or facility if:
 - (1) the term of the contract does not exceed ten years;
- (2) the entire cost of the contract is a percentage of the resultant savings in energy costs;
 - (3) the contract for purchase is competitive; and
- (4) the state may unilaterally cancel the agreement if the legislature fails to appropriate funds to continue the contract.

The commissioner may spend money appropriated for energy costs in payment of a contract under this section.

- Sec. 19. [16B.17] [CONSULTANTS AND TECHNICAL SERVICES.]
- Subdivision 1. [TERMS.] For purposes of this section, the following terms have the meanings given them:
- (a) [CONSULTANT SERVICES.] "Consultant services" means services which are intellectual in character; which do not involve the provision of supplies or materials; which include analysis, evaluation, prediction, planning, or recommendation; and which result in the production of a report.
- (b) [PROFESSIONAL AND TECHNICAL SERVICES.] "Professional and technical services" means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning, or recommendation.
 - Subd. 2. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL

- AND TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for consultant services or professional and technical services the commissioner must determine, at least, that:
- (1) all provisions of section 21 and subdivision 3 of this section have been verified or complied with;
- (2) the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and there is statutory authority to enter into the contract;
- (3) the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;
- (4) no current state employees will engage in the performance of the contract:
- (5) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract; and
- (6) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed.
- Subd. 3. [DUTIES OF CONTRACTING AGENCY.] Before an agency may seek approval of a consultant or professional and technical services contract valued in excess of \$2,000, it must certify to the commissioner that:
- (1) no state employee is able to perform the services called for by the contract;
- (2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;
- (3) the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of his services will be original in character;
- (4) reasonable efforts were made to publicize the availability of the contract;
- (5) the agency has received, reviewed, and accepted a detailed work plan from the contractor for performance under the contract; and
- (6) the agency has developed, and fully intends to implement, a written plan providing for the assignment of specific agency personnel to a monitoring and liaison function; the periodic review of interim reports or other indications of past performance, and the ultimate utilization of the final product of the services.
- Subd. 4. [REPORTS.] After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation must be delivered to the commissioner, who shall retain all the evaluations for future reference. The commissioner shall submit to the governor and the legislature a monthly listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also

issue quarterly reports summarizing the contract review activities of the department during the preceding quarter.

Subd. 5. [CONTRACT TERMS.] A consultant or technical and professional services contract must by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a report, no more than three copies of the report, one in camera ready form, shall be submitted to the agency. One of the copies must be filed with the legislative reference library.

Sec. 20. [16B.18] [SHELTERED WORKSHOPS; PROCUREMENT OF PRODUCTS AND SERVICES; WORK ACTIVITY PROGRAMS.]

Subdivision 1. [PRODUCT AND SERVICE LIST.] The commissioner in consultation with the commissioner of economic security shall prepare a list containing products and services of state certified sheltered workshops and work activity programs for procurement use by state agencies and institutions. The commissioner shall determine the fair market price for listed products and services. In determining the fair market price the commissioner shall consider (1) open market bid prices in previous years for similar products and services, and (2) cost increases for both labor and materials. The price paid may not exceed by more than five percent the fair market price. State agencies and institutions shall, after promulgation of the product and service list by the commissioner, procure listed products and services from sheltered workshops and work activity programs in preference to procurement from other suppliers or sources with the exceptions in this section. The provisions of this chapter relating to competitive bidding do not apply to purchases made in accordance with this section.

- Subd. 2. [PRODUCTS AND SERVICES AVAILABLE ELSEWHERE.] When any listed products or services are available for procurement from any state agency or institution and procurement from the agency or institution is required by law, the procurement must be made in accordance with that law.
- Subd. 3. [RULES.] Rules under this section may provide a procedure by which the commissioner shall determine product specifications, quality standards, and timing of delivery to be complied with by the sheltered workshop and work activity program boards on purchases made under this section. The list to be prepared pursuant to subdivision I shall not be promulgated as a rule.
- Subd. 4. [SELECTION OF NONPROFIT CORPORATION.] The commissioner may select a nonprofit corporation organized under chapter 317 to facilitate distribution of orders among sheltered workshops and work activity programs. The corporation shall distribute orders so as to afford each sheltered workshop and work activity program an equal opportunity to obtain orders.

Sec. 21. [16B.19] [PROCUREMENT FROM SMALL BUSINESSES.]

Subdivision 1. [SMALL BUSINESS AND MINNESOTA CORRECTIONAL INDUSTRIES SET-ASIDES.] The commissioner shall for each fiscal year designate and set aside for awarding to small businesses and Minnesota correctional industries approximately 25 percent of the value of

anticipated total state procurement of goods and services including printing and construction. The commissioner shall divide the procurements so designated into contract award units of economically feasible production runs in order to facilitate offers or bids from small businesses and Minnesota correctional industries. In making his annual designation of set-aside procurements the commissioner shall attempt (1) to vary the included procurements so that a variety of goods and services produced by different small businesses are set aside each year, and (2) to designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the small business set-aside procurement for award to bidders from a specified congressional district or other geographical region specified by the commissioner. The failure of the commissioner to set aside particular procurements shall not be deemed to prohibit or discourage small businesses or Minnesota correctional industries from seeking the procurement award through the normal solicitation and bidding processes.

- Subd. 2. [CONSULTANT, PROFESSIONAL AND TECHNICAL PRO-CUREMENTS.] Every state agency shall for each fiscal year designate and set aside for awarding to small businesses with their principal place of business in Minnesota approximately 25 percent of the value of anticipated procurements of that agency for consultant services or professional and technical services. The set-aside under this subdivision is in addition to that provided by subdivision 1, but shall otherwise comply with section 19 and the set-aside for businesses owned and operated by socially or economically disadvantaged persons.
- Subd. 3. [NEGOTIATED PRICE OR BID CONTRACT.] The commissioner may elect to use either a negotiated price or bid contract procedure in the awarding of a procurement contract under the set-aside program established in sections 21 to 24. The amount of an award may not exceed by more than five percent the commissioner's estimated price for the goods or services, if they were to be purchased on the open market and not under this set-aside program. Surety bonds guaranteed by the federal Small Business Administration and second party bonds are acceptable security for a construction award under this section. "Second party bond" means a bond which designates as principal, guarantor, or both, a person or persons in addition to the person to whom the contract is proposed for award.
- Subd. 4. [DETERMINATION OF ABILITY TO PERFORM.] Before announcing a set-aside award, the commissioner shall evaluate whether the small business or Minnesota correctional industry scheduled to receive the award is able to perform the set-aside contract. This shall be done in consultation with an authorized agent of the Minnesota correctional industries program. This determination shall include consideration of production and financial capacity and technical competence.
- Subd. 5. [PREFERENCE TO SMALL BUSINESSES.] At least 24 percent of the value of the procurements designated for set-aside awards shall be awarded, if possible, to businesses owned and operated by socially or economically disadvantaged persons as defined in section 645.445. The commissioner shall designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the

geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the set-aside for small businesses owned and operated by socially or economically disadvantaged persons for award to bidders from a specified congressional district or other geographical region specified by the commissioner. In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least 24 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to other small businesses. At least 50 percent of the value of the procurements awarded to businesses owned and operated by socially or economically disadvantaged persons shall actually be performed by the business to which the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner may not designate more than 20 percent of any commodity class for set-aside to businesses owned and operated by socially or economically disadvantaged persons. A business owned and operated by socially or economically disadvantaged persons that has been awarded more than five percent of the value of the total anticipated set-aside procurements for a fiscal year under this subdivision is disqualified from receiving further set-aside awards for that fiscal year.

- Subd. 6. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.] The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 19 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons. Any subcontracting pursuant to this subdivision may not be included in determining the total amount of set-aside awards required by subdivisions 1, 1a, and 4, or any preference program authorized by the commissioner pursuant to section 24. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work on the prime contract and the dollar amount of the work performed.
- Subd. 7. [PREFERENCE TO MINNESOTA CORRECTIONAL INDUSTRIES.] At least 15 percent of the value of procurements designated for set-aside awards shall be awarded, if possible, to Minnesota correctional industries, established and under the control of the commissioner of corrections under section 241.27, for the variety of goods and services produced by the Minnesota correctional industries, unless the commissioner of corrections acting through an authorized agent certifies that Minnesota correctional

industries cannot provide them. If the correctional industries are unable to perform at least 15 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to small businesses.

- Subd. 8. [RECOURSE TO OTHER BUSINESSES.] In the event that subdivisions 1 to 4b do not operate to extend a contract award to a small business or the Minnesota correctional industries, the award must be placed pursuant to the normal solicitation and award provisions in this chapter. The commissioner shall then designate and set aside for small businesses or the Minnesota correctional industries additional state procurements corresponding in approximate value to the contract unable to be awarded pursuant to subdivisions 1 to 4b.
- Subd. 9. [PROCUREMENT PROCEDURES.] All laws and rules pertaining to solicitations, bid evaluations, contract awards, and other procurement matters apply equally to procurements set aside for small businesses or Minnesota correctional industries. In the event of conflict with other rules, sections 21 to 24 and rules adopted under those sections govern:
- Sec. 22. [16B.20] [ENCOURAGEMENT OF PARTICIPATION; ADVISORY COUNCIL.]

Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioners of administration and energy and economic development shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, the commissioner shall inform the commissioner of energy and economic development who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of energy and economic development in cooperation with the commissioner of administration shall use management or financial assistance programs made available by or through the department of energy and economic development, other state or governmental agencies, or private sources.

- Subd. 2. [ADVISORY COUNCIL.] A small business procurement advisory council is created. The council consists of 13 members appointed by the governor. A chairperson of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms and removal of members are as provided in section 15.059, but members do not receive per diem or expenses.
- Subd. 3. [DUTIES.] The small business procurement advisory council shall:
- (1) advise the commissioner of administration on matters relating to the small business procurement program;
- (2) review complaints or grievances from small business vendors or contractors who are doing or attempting to do business under the program; and
- (3) review the reports of the commissioners of administration and energy and economic development provided by section 23 to ensure compliance

with the goals of the program.

Sec. 23. [16B.21] [REPORTS.]

- Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of energy and economic development indicating the progress being made toward the objectives and goals of sections 21 to 24 during the preceding fiscal year. The commissioner shall also submit a quarterly report to the small business procurement advisory council. These reports shall include the following information:
- (1) the total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;
- (2) the number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;
- (3) the total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business and to each category of economically or socially disadvantaged persons as defined by section 645.445 and agency rules, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect; and
- (4) the number of contracts which were designated and set aside pursuant to section 21 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business, and the price at which these contracts were awarded pursuant to the normal procurement procedures.

The information required by paragraphs (1) and (2) must be presented on a statewide basis and also broken down by geographic regions within the state.

- Subd. 2. [COMMISSIONER OF ENERGY AND ECONOMIC DEVEL-OPMENT.] The commissioner of energy and economic development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:
- (1) the efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;
- (2) the efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;
- (3) the efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-uside awards; and

(4) the commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.

Sec. 24. [16B.22] [RULES.]

The commissioner shall adopt by rule standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of sections 21 to 24. The rules shall provide that certification as a small business owned and operated by socially or economically disadvantaged persons will be for a maximum of five years from the date of receipt of the first set-aside award, and that after the expiration of the certification period the business may not again be certified for a five-year period. The commissioner shall adopt by rule standards and procedures for hearing appeals and grievances and other rules necessary to carry out the duties set forth in sections 21 to 24.

The commissioner may make rules which exclude or limit the participation of nonmanufacturing business, including third-party lessors, jobbers, manufacturers' representatives, and others from eligibility under sections 21 to 24.

The commissioner may adopt rules to establish a preference program whereby businesses owned and operated by socially and economically disadvantaged persons would be allowed a five percent preference in the bid amount on selected state procurements or a preference program whereby businesses owned and operated by socially and economically disadvantaged persons would be awarded any state procurement if the business could meet the low bid amount for that procurement. Each of the preference programs is applicable to no more than 1.5 percent of the value of anticipated total state procurements of goods and services, including construction. Each preference program established by the commissioner expires on June 30, 1986, and the commissioner shall report to the legislature on the progress of the program by January 1, 1986.

Sec. 25. [16B.23] [DISTRICT HEATING.]

Notwithstanding any other law, general or special, the commissioner of administration is authorized to enter into or approve a written agreement not to exceed 31 years with a district heating utility that will specify, but not be limited to, the appropriate terms and conditions for the interchange of district heating services.

MANAGEMENT OF STATE PROPERTY

Sec. 26 [16B.24] [GENERAL AUTHORITY.]

Subdivision 1. [OPERATION AND MAINTENANCE OF BUILDINGS.] The commissioner is authorized to maintain and operate the state capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the capitol area architectural and planning board and the commissioner pursuant to section 15.50, subdivision 2, clause (h), and the state office building, the historical society building, the Normandale, Anoka-Ramsey, North Hennepin, Lakewood, Metropolitan, and South East Metropolitan Community Colleges, the employment services buildings in Minneapolis and St. Paul, the state department of health building, and the surplus property building, and their grounds, and, when the

commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the capitol and state buildings to make an equitable division of available space among agencies. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.

- Subd. 2. [REPAIRS.] The commissioner shall supervise and control the making of necessary repairs to all state buildings and structures, except structures, other than buildings, under the control of the state transportation department; provided that all repairs to the public and ceremonial areas and the exterior of the state capitol building shall be carried out subject to the standards and policies of the capitol area architectural and planning board and the commissioner of administration adopted pursuant to section 15.50, subdivision 2, clause (h).
- Subd. 3. [DISPOSAL OF OLD BUILDINGS.] The commissioner, upon request of the head of an agency which has control of a state owned building which is no longer used or which is a fire or safety hazard, shall, after obtaining approval of the chairmen of the senate finance committee and house of representatives appropriations committee, sell, wreck, or otherwise dispose of the building. In the event a sale is made the proceeds shall be deposited in the proper account or in the general fund.
- Subd. 4. [INSPECTIONS; APPRAISALS; INVENTORIES.] The commissioner shall provide for the periodic inspection and appraisal of all state property, real and personal, and for current and perpetual inventories of all state property. The commissioner shall require agencies to make reports of the real and personal property in their custody at the intervals and in the form the commissioner considers necessary.
- Subd. 5. [RENTING OUT STATE PROPERTY.] (a) [AUTHORITY.] The commissioner may rent out state property, real or personal, that is not needed for public use, if the rental is not otherwise provided for or prohibited by law. The property may not be rented out for more than two years at a time without the approval of the state executive council, and may never be rented out for more than 25 years.
- (b) [RESTRICTIONS.] Paragraph (a) does not apply to state trust fund lands, other state lands under the jurisdiction of the department of natural resources, lands forfeited for delinquent taxes, lands acquired under section 298.22, or lands acquired under section 41.56 which are under the jurisdiction of the department of agriculture.
- (c) [FORT SNELLING CHAPEL; RENTAL.] The Fort Snelling Chapel, located within the boundaries of Fort Snelling State Park, is available for use only on payment of a rental fee. The commissioner shall establish rental fees for both public and private use. The rental fee for private use by an organization or individual must reflect the reasonable value of equivalent rental space. Rental fees collected under this section must be deposited in the general fund.
- (d) [RENTAL OF LÍVING ACCOMMODATIONS.] The commissioner shall establish rental rates for all living accommodations provided by the

state for its employees. Money collected as rent by state agencies pursuant to this paragraph must be deposited in the state treasury and credited to the general fund.

- (e) [LEASE OF SPACE IN CERTAIN STATE BUILDINGS TO STATE AGENCIES.] The commissioner may lease portions of the state owned buildings in the capitol complex, the capitol square building, the health building, and the building at 1246 University Avenue, St. Paul, Minnesota, to state agencies and charge rent on the basis of space occupied. Notwith-standing any law to the contrary, all money collected as rent pursuant to the terms of this section shall be deposited in the state treasury. Money collected as rent to recover the depreciation cost of a building built with state dedicated funds shall be credited to the dedicated fund which funded the original acquisition or construction. All other money received shall be credited to the general fund.
- Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. The commissioner may lease land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use. The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.
- (b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.
- (c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.
- Subd. 7. [POWER, HEATING, AND LIGHTING PLANTS.] The commissioner shall inspect all state power, heating, and lighting plants, make rules governing their operation, and recommend improvements in the plants which will promote their economical and efficient operation.
- Subd. 8. [REGIONAL SERVICE CENTER.] The commissioner may establish a regional service center on a demonstration basis. The commissioner shall select agencies to participate in the demonstration service center and determine equitable methods of sharing space, personnel and equipment. The commissioner may enter into a lease for a base term of five years with a five year leasehold renewal option to acquire suitable space for the service

center.

Sec. 27. [16B.25] [LOST PROPERTY ON STATE LANDS.]

- Subdivision 1. [PERMITS.] The commissioner may grant a permit to search upon lands, highways, or in buildings owned by the state for lost or abandoned property. Conditions of a permit may include a formula for dividing between the state and the finder the proceeds of any property found and unclaimed.
- Subd. 2. [NOTICE.] Lost or abandoned property found on state lands is placed in the custody of the commissioner. If the rightful owner is known, the owner must be notified by certified mail and may reclaim the property on paying the expenses of the search. If the owner is unknown, the commissioner must give two weeks' published notice in the county where the property was found. Within six months following publication, the rightful owner may receive the property on paying the search expenses.
- Subd. 3. [DISPOSAL.] Unclaimed property may be sold at public sale, disposed of as state surplus property, or destroyed, based on the commissioner's judgment of its value.
- Subd. 4. [MONEY.] All lost or abandoned money found under a permit granted pursuant to this section, and the proceeds from the sale of other abandoned or lost property found under a permit, must be deposited in the general fund.
- Sec. 28. [16B.26] [UTILITY COMPANIES, PERMITS TO CROSS STATE-OWNED LANDS.]
- Subdivision 1. [EASEMENTS.] (a) [AUTHORITY.] Except where the authority conferred by this section has been imposed on some other state or county office, the commissioner may grant an easement or permit over, under, or across any land owned by the state for the purpose of constructing roads, streets, telephone, telegraph, and electric power lines, cables or conduits, underground or otherwise, or mains or pipe lines for gas, liquids, or solids in suspension. This authority does not apply to land under the jurisdiction of the commissioner of natural resources or land obtained for trunk highway purposes.
- (b) [NOTICE OF REVOCATION.] An easement or permit is revocable by written notice given by the commissioner if at any time its continuance will conflict with a public use of the land over, under, or upon which it is granted, or for any other reason. The notice must be in writing and is effective 90 days after the notice is sent by certified mail to the last known address of the record holder of the easement. If the address of the holder of the easement or permit is not known, it expires 90 days after the notice is recorded in the office of the county recorder of the county in which the land is located. Upon revocation of an easement, the commissioner may allow a reasonable time to vacate the premises affected.
- (c) [EASEMENT RUNS WITH LAND.] State land subject to an easement or permit granted by the commissioner remains subject to sale or lease, and the sale or lease does not revoke the permit or easement granted.
- Subd. 2. [LAND CONTROLLED BY OTHER AGENCIES.] If the easement or permit involves land under the jurisdiction of an agency other than

the department of administration, it is subject to the approval of the head of the agency and is subject to revocation by the commissioner as provided in this section, on request of the head of the agency.

- Subd. 3. [APPLICATION.] An application for easement or permit under this section must be in quadruplicate and must include: a legal description of the land affected; a map showing the area affected by the easement or permit; and a detailed design of any structures to be placed on the land. The commissioner may require that the application be in another form and include other descriptions, maps, or designs. The commissioner may at any time order changes or modifications respecting construction or maintenance of structures or other conditions of the easement which the commissioner finds necessary to protect the public health and safety.
- Subd. 4. [FORM; DURATION.] The easement or permit must be in a form prescribed by the attorney general and must describe the location of the easement granted. The easement or permit continues until revoked by the commissioner, subject to change or modification as provided in this section.
- Subd. 5. [CONSIDERATION; TERMS.] The commissioner may prescribe consideration and conditions for granting an easement or permit. Money received by the state under this section must be credited to the fund to which income or proceeds of sale from the land would be credited, if provision for the sale is made by law. Otherwise, it must be credited to the general fund.

Sec. 29. [16B.27] [GOVERNOR'S RESIDENCE.]

Subdivision 1. [USE.] The governor's residence must be used for official ceremonial functions of the state, and to provide suitable living quarters for the governor of the state.

- Subd. 2. [MAINTENANCE.] The commissioner shall maintain the governor's residence in the same way as other state buildings are maintained and shall rehabilitate, decorate, and furnish the building. The decoration and furnishing shall be guided by the governor's residence council.
- Subd. 3. [COUNCIL.] The governor's residence council consists of the following 15 members: the commissioner; the spouse, or a designee of the governor; the executive director of the Minnesota state arts board; the director of the Minnesota historical society; a member of the senate appointed pursuant to the rules of the senate; a member of the house of representatives appointed pursuant to the rules of the house of representatives; seven persons appointed by the governor including one in the field of higher education, one member of the American Society of Interior Designers, Minnesota Chapter, one member of the American Institute of Architects, Minnesota chapter, one member of the American Society of Landscape Architects, Minnesota Chapter, one member of the family that donated the governor's residence to the state, if available, and four public members. Members of the council serve without compensation. Membership terms, removal, and filling of vacancies for members appointed by the governor are governed by section 15.0575. The council shall elect a chairman and a secretary from among its members. The council shall expire on the date provided by section 15.059, subdivision 5.
 - Subd. 4. [DUTIES.] The council shall develop an overall restoration plan

for the governor's residence and surrounding grounds and approve alterations in the existing structure.

- Subd. 5. [GIFTS.] (a) To maintain and improve the quality of furnishings for the public areas of the building, the council may solicit and accept donated money, furnishings, objects of art and other items the council determines may have historical value in keeping with the building's period and purpose. The gift acceptance procedures of sections 7.09 to 7.12 do not apply to this subdivision.
- (b) Notwithstanding sections 7.09 to 7.12, the council may solicit contributions for the renovation of and capital improvements to the governor's residence.
- (c) Gifts for the benefit of the governor's residence and surrounding grounds are not accepted by the state unless accepted by the council. The council shall maintain a complete inventory of all gifts and articles received.

Sec. 30. [16B.28] [SURPLUS FEDERAL PROPERTY.]

Subdivision 1. [DEFINITIONS.] For purposes of this section the following terms have the meanings given them:

- (a) "Surplus property" means commodities, equipment, materials, supplies, books, printed matter, and other property made available by the federal government to a governmental or nonprofit organization.
- (b) "Governmental or nonprofit organization" means the state of Minnesota, its departments, agencies, political subdivisions, and other instrumentalities, and any nonprofit and tax-exempt medical institution, hospital, clinic, health center, school, school system, college, university, or other institution organized and existing for any purpose authorized by federal law to accept surplus property.
- Subd. 2. [AUTHORIZATION.] The commissioner is the state agency designated to purchase or accept surplus property for the state and for the benefit of any other governmental or nonprofit organization for any purpose authorized by federal law and in accordance with federal rules and regulations. Any governmental or nonprofit organization may designate the commissioner to purchase or accept surplus property for it upon mutually agreeable terms and conditions. The commissioner may store surplus property until it is needed and any expenses incurred in connection with the storage shall be paid from the surplus property revolving fund.
- Subd. 3. [REVOLVING FUND.] (a) [CREATION.] To pay for surplus property received from the federal government for governmental or nonprofit organizations, including the expense of accepting and distributing that property, there is a surplus property revolving fund in the state treasury. Money paid into the surplus property revolving fund is appropriated to the commissioner for the purposes of this section.
- (b) [ADVANCES.] No more than \$1,000 from the surplus property revolving fund may be advanced to the commissioner or a state employee engaged in performing duties under this section to pay the expenses of travel, subsistence, toll charges, and similar expenses, in accordance with requirements prescribed by the commissioner of finance. When money which was advanced is repaid, it must be deposited in the state treasury to the credit of

the surplus property revolving fund.

- (c) [TRANSFER TO STATE AGENCY.] When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the property, including any expenses of accepting and distributing the property, from the appropriation of the state agency receiving the surplus property to the surplus property revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.
- (d) [TRANSFER TO OTHER AGENCIES.] When any governmental or nonprofit organization other than a state agency receives surplus property from the commissioner, the governmental or nonprofit organization must reimburse the surplus property revolving fund for the cost of the property, including the expenses of accepting and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental or nonprofit organization to deposit in advance in the surplus property revolving fund the cost of the surplus property upon mutually agreeable terms and conditions.

Sec. 31. [16B.29] [STATE SURPLUS PROPERTY; DISPOSAL.]

The commissioner may do any of the following to dispose of supplies, materials, and equipment which are surplus, obsolete, or unused: (1) transfer it to or between state agencies; (2) transfer it to local government units in Minnesota; or (3) sell it. The commissioner must make proper adjustments in the accounts and appropriations of the agencies concerned. When the commissioner sells the supplies, materials and equipment, the proceeds of the sale are appropriated to the agency for whose account the sale was made, to be used and expended by the agency to purchase similar needed supplies, materials and equipment at any time during the biennium in which the sale occurred.

CAPITAL IMPROVEMENTS

Sec. 32. [16B.30] [GENERAL AUTHORITY.]

Subject to other provisions in this chapter, the commissioner shall supervise and control the making of all contracts for the construction of buildings and for other capital improvements to state buildings and structures.

Sec. 33. [16B.31] [COMMISSIONER MUST APPROVE PLANS.]

Subdivision 1. [CONSTRUCTION PLANS AND SPECIFICATIONS.] The commissioner shall (1) have plans and specifications prepared for the construction, alteration, or enlargement of all state buildings, structures, and other improvements except highways and bridges; (2) approve those plans and specifications; (3) advertise for bids and award all contracts in connection with the improvements; (4) supervise and inspect all work relating to the improvements; (5) approve all lawful changes in plans and specifications after the contract for an improvement is let; and (6) approve estimates for payment. This subdivision does not apply to the construction of the zoological gardens.

Subd. 2. [APPROPRIATIONS.] Plans must be paid for out of money appropriated for the purpose of improving or constructing the building. No part of the balance may be expended until the commissioner has secured suitable

plans and specifications, prepared by a competent architect or engineer, and accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this section or the act making the appropriation. The commissioner may not direct or permit any expenditure beyond that appropriated, and any agent of the commissioner violating this provision is guilty of a gross misdemeanor.

- Subd. 3. [FEDERAL AID.] (a) [ACCEPTANCE OF AID.] The commissioner is the state agency empowered to accept money provided for or made available to this state by the United States of America or any federal department or agency for the construction and equipping of any building for state purposes not otherwise provided for by law, other than University of Minnesota buildings, in accordance with the provisions of federal law and any rules or regulations promulgated under federal law. The commissioner may do whatever is required of this state by federal law, rules, and regulations in order to obtain the federal money.
- (b) [FEDERAL FUNDS CONSIDERED PART OF APPROPRIATION.] The commissioner may after consultation with the chairmen of the senate finance committee and house of representatives appropriations committee, adopt a plan, provide for an improvement, or construct a building that contemplates expenditure for its completion of more money than the appropriation for it, if the excess money is provided by the United States government and granted to the state of Minnesota under federal law or any rule or regulation promulgated under federal law. This federal money, for the purpose of this section, is a part of the appropriation for the project.
- (c) [DELAYED FEDERAL MONEY.] If an amount is payable to a creditor of the state from a project account which is financed partly with federal money and the project is included in appropriations made to the commissioner for public buildings and equipment, and the amount cannot be paid on time because of a deficiency of money in the project account caused by a delay in the receipt of federal money, the commissioner may provide money needed to pay the amount by temporarily transferring the sum to the project account from any other appropriation made to the commissioner in the same act. Required money for a payment is appropriated for that purpose. When the delayed federal money is received, the commissioner shall have the amount of money transferred returned to the account from which it came.
- Subd. 4. [CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD.] (a) [COMPREHENSIVE USE PLAN; COMPETITIONS.] Notwithstanding any provision of this section to the contrary, plans for proposed new buildings and for features of existing public buildings in the capitol area which the capitol area architectural and planning board consider to possess architectural significance are subject to section 15.50, subdivision 2, clauses (c) and (e).
- (b) [APPROVAL REQUIRED.] The preparation of plans and specifications for the capitol area, as defined in section 15.50, may not be initiated, contracted for, or conducted without consultation with the capitol area architectural and planning board to the extent the plans and specifications involve the public and ceremonial areas and the exterior of the capitol building and the lobbies, public concourses, and other features of other public buildings in the capitol area which the capitol area architectural and planning

board considers to have architectural significance. The commissioner may not approve or adopt plans or specifications for the capitol area unless they have been approved by the capitol area architectural and planning board. The capitol area architectural and planning board must also be advised of and approve changes in plans and specifications which affect projects within the capitol area.

Sec. 34. [16B.32] [ALTERNATIVE ENERGY SOURCES.]

Plans prepared by the commissioner for a new building or for a renovation of 50 percent or more of an existing building or its energy systems must include designs which use active and passive solar energy systems, earth sheltered construction, and other alternative energy sources where feasible.

Sec. 35. [16B.33] [DESIGNER SELECTION BOARD.]

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

- (a) "Agency" has the meaning given in section 3, and also includes the University of Minnesota.
- (b) "Architect" means an architect or landscape architect registered to practice under sections 326.02 to 326.15.
 - (c) "Board" means the state designer selection board.
- (d) "Designer" means an architect or engineer, or a partnership, association, or corporation comprised primarily of architects or engineers or of both architects and engineers.
- (e) "Engineer" means an engineer registered to practice under sections 326.02 to 326.15.
- (f) "Person" includes an individual, corporation, partnership, association, or any other legal entity.
- (g) "Primary designer" means the designer who is to have primary design responsibility for a project, and does not include designers who are merely consulted by the user agency and do not have substantial design responsibility, or designers who will or may be employed or consulted by the primary designer.
- (h) "Project" means an undertaking to construct, erect, or remodel a building by or for the state or an agency.
 - (i) "User agency" means the agency undertaking a specific project.
- Subd. 2. [ORGANIZATION OF BOARD.] (a) [MEMBERSHIP.] The state designer selection board consists of five individuals, the majority of whom must be Minnesota residents. Each of the following three organizations shall nominate one individual whose name and qualifications shall be submitted to the governor for consideration: the consulting engineers council of Minnesota after consultation with other professional engineering societies in the state; the Minnesota society of architects; and the Minnesota board of the arts. The governor may appoint the three named individuals to the board with the advice and consent of the senate, but the governor may reject a nominated individual and request another nomination. The remaining two members shall also be appointed by the governor with the advice and consent of the senate.

- (b) [NON-VOTING MEMBERS.] In addition to the five members of the board, two non-voting members shall participate in the interviewing and selection of designers pursuant to this section. One shall be a representative of the commissioner and shall participate in the interviewing and selection of designers for all projects. The other shall be a representative of the user agency, who shall participate in the interviewing and selection of the designers for the project being undertaken by the user agency. The commissioner shall appoint the representative of the user agency in consultation with the user agency.
- (c) [TERMS; COMPENSATION; REMOVAL; VACANCIES.] The membership terms, compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. No individual may serve for more than two consecutive terms.
- (d) [OFFICERS, RULES.] At its first meeting, the board shall elect a voting member of the board as chairman. The board shall also elect other officers necessary for the conduct of its affairs. The board shall adopt rules governing its operations and the conduct of its meetings. The rules shall provide for the terms of the chairman and other officers.
- (e) [MEETINGS.] The board shall meet as often as is necessary, not less than twice annually, in order to act expeditiously on requests submitted to it for selection of primary designers.
- (f) [OFFICE, STAFF, RECORDS.] The department of administration shall provide the board with suitable quarters to maintain an office, hold meetings, and keep records. The commissioner shall designate an employee of the department of administration to serve as executive secretary to the board and shall furnish a secretarial staff to the board as necessary for the expeditious conduct of the board's duties and responsibilities.
- Subd. 3. [AGENCIES MUST REQUEST DESIGNER.] (a) [APPLICATION.] Upon undertaking a project with an estimated cost greater than \$400,000 or a planning project with estimated fees greater than \$35,000, every user agency, except the capitol area architectural and planning board, shall submit a written request for a primary designer for its project to the commissioner, who shall forward the request to the board. The written request must include a description of the project, the estimated cost of completing the project, a description of any special requirements or unique features of the proposed project, and other information which will assist the board in carrying out its duties and responsibilities set forth in this section.
- (b) [REACTIVATED PROJECT.] If a project for which a designer has been selected by the board becomes inactive, lapses, or changes as a result of project phasing, insufficient appropriations, or other reasons, the commissioner or the University of Minnesota may, if the project is reactivated, retain the same designer to complete the project.
- (c) [FEE LIMIT REACHED AFTER DESIGNER SELECTED.] If a project initially estimated to be below the cost and planning fee limits of this subdivision has its cost or planning fees revised so that the limits are exceeded, the project must be referred to the board for designer selection even if a primary designer has already been selected. In this event, the board may, without conducting interviews, elect to retain the previously selected designer if it determines that the interests of the state are best served by that decision and shall notify the commissioner of its determination.

- Subd. 4. [DESIGNER SELECTION PROCESS.] (a) [PUBLICITY.] Upon receipt of a request from a user agency for a primary designer, the board shall publicize the proposed project in order to determine the identity of designers interested in the design work on the project. The board shall establish criteria for the selection process and make this information public, and shall compile data on and conduct interviews of designers. The board's selection criteria must include consideration of each interested designer's performance on previous projects for the state or any other person. Upon completing the process, the board shall select the primary designer and shall state its reasons in writing. Notification to the commissioner of the selection shall be made not more than 60 days after receipt from a user agency of a request for a primary designer. The commissioner shall promptly notify the designer and the user agency. The commissioner shall negotiate the designer's fee and prepare the contract to be entered into between the designer and the user agency.
- (b) [CONFLICT OF INTEREST.] The board may not select a designer or firm in which a member of the designer selection board has a current financial interest.
- (c) [SELECTION BY COMMISSIONER.] In the event the board receives a request for a primary designer on a project, the estimated cost of which is less than the limit established by subdivision 3, or a planning project with estimated fees of less than the limit established by subdivision 3, the board may submit the request to the commissioner of administration, with or without recommendations, and the commissioner shall thereupon select the primary designer for the project.
- (d) [SECOND SELECTION.] If the designer selected for a project declines the appointment or is unable to reach agreement with the commissioner on the fee or the terms of the contract, the commissioner shall, within 60 days after the first appointment, request the board to make another selection.
- (e) [SIXTY DAYS TO SELECT.] If the board fails to make a selection and forward its recommendation to the commissioner within 60 days of the user agency's request for a designer, the commissioner may appoint a designer to the project without the recommendation of the board.
- (f) [LESS THAN SATISFACTORY PERFORMANCE.] The commissioner, or the University of Minnesota for projects under its supervision, shall forward to the board a written report describing each instance in which the performance of a designer selected by the board or the commissioner has been less than satisfactory. Criteria for determining satisfaction include the ability of the designer to complete design work on time, to provide a design responsive to program needs within the constraints of the budget, to solve design problems and achieve a design consistent with the proposed function of the building, to avoid costly design errors or omissions, and to observe the construction work. These reports are public data and are available for inspection under section 13.03.

Sec. 36. [16B.34] [INMATE LABOR.]

At a state institution or state park or in the maintenance of a state armory, an appropriation for construction, improvements, or maintenance may be expended through the use of inmate or project labor when authorized by the

commissioner with the concurrence of the head of the interested state department.

Sec. 37. [16B.35] [ART IN STATE BUILDINGS.]

- Subdivision 1. [PERCENT OF APPROPRIATIONS FOR ART.] An appropriation for the construction or alteration of any state building may contain an amount not to exceed one percent of the total appropriation for the building for the acquisition of works of art, excluding landscaping, which may be an integral part of the building or its grounds, attached to the building or grounds or capable of being displayed in other state buildings. Money used for this purpose is available only for the acquisition of works of art to be exhibited in areas of a building or its grounds accessible, on a regular basis, to members of the public. For the purposes of this section "state building" means a building the construction or alteration of which is paid for wholly or in part by the state.
- Subd. 2. [EXEMPT BULDINGS.] A building for which the appropriation is less than \$500,000 for construction or alteration or a building for which the commissioner of administration has determined that this section is inappropriate is exempt from the requirements of this section.
- Subd. 3. [UNUSED FUNDS.] If an amount made available under subdivision 1 is not expended for works of art for the building, the unexpended portion is available to the Minnesota board of the arts for the commission or purchase of works of art for state buildings existing or for which an appropriation was made prior to June 15, 1983, and is not available to pay construction costs of the building.

SERVICES TO STATE AGENCIES

Sec. 38. [16B.36] [INVESTIGATIONS.]

Subdivision 1. [AUTHORITY.] The commissioner may examine, investigate, or make a survey of the organization, administration, and management of state agencies and institutions under their control, to secure greater efficiency and economy through reorganization or consolidation of agencies or functions and to eliminate duplication of function, effort, or activity, so far as possible.

Subd. 2. [HEARINGS.] The commissioner shall recommend to the legislature any necessary changes in the laws of the state as a result of a survey or investigation, or otherwise, in order to secure a better organization of the state government or greater efficiency and economy in administration. For this purpose, the commissioner may hold hearings, and issue subpoenas for and compel the attendance of witnesses, the giving of testimony, and the production of books, records, accounts, documents, and papers, as provided in section 15.08.

Sec. 39. [16B.37] [REORGANIZATION OF AGENCIES.]

Subdivision 1. [COMMISSIONER'S AUTHORITY.] To improve efficiency and avoid duplication, the commissioner may transfer personnel, powers, or duties, or any combination of them, from a state agency to another state agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor. The commissioner shall no later than January 15 of each year submit to the legislature a bill making all statutory changes required by reorganization

orders issued by the commissioner during the preceding calendar year.

- Subd. 2. [REORGANIZATION ORDER] A transfer made pursuant to subdivision I must be in the form of a reorganization order. A reorganization order must be filed with the secretary of state, be uniform in format, and be numbered consecutively. An order is effective upon filing with the secretary of state and remains in effect until amended or superseded. Copies of the filed order must be delivered promptly by the commissioner to the secretary of the senate, the chief clerk of the house, and the chairmen of the governmental operations committees in the senate and house of representatives. A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, the housing finance agency, or the pollution control agency is not effective until it is ratified by concurrent resolution or enacted into law.
- Subd. 3. [APPROPRIATION.] The commissioner of finance shall determine the fractional part of the appropriation to the transferor agency that is represented by the transferred personnel, power, or duty, and that part of the appropriation is reappropriated to the transferee agency.
- Subd. 4. [WORK OF DEPARTMENT FOR ANOTHER.] To avoid duplication and improve efficiency, the commissioner may direct an agency to do work for another agency or may direct a division or section of an agency to do work for another division or section within the same agency and shall require reimbursement for the work. Reimbursements received by an agency are reappropriated to the account making the original expenditure in accordance with the transfer warrant procedure established by the commissioner of finance.
- Subd. 5. [EMPLOYEES ASSIGNED.] With the approval of the governor and by agreement of the heads of the departments or agencies concerned, any appointive subordinate officer or employee of a department or agency may be employed by or assigned to perform duties under another department or agency.

Sec. 40. [16B.38] [DISSOLVED OR SUSPENDED AGENCIES.]

The commissioner shall undertake all necessary administrative functions of an agency which has been temporarily or permanently dissolved or suspended. These functions may include but are not limited to: authorizing payment of all obligations of the dissolved or suspended agency including payroll certifications; serving as custodian for and disposing of all property of the agency; and, in the event that the agency is only temporarily dissolved or suspended, serving as its chief administrative officer with all necessary powers until the agency is reconstituted. To implement these responsibilities the commissioner may spend any necessary money from a dissolved or suspended agency's appropriation.

Sec. 41. [16B.39] [PROGRAMS FOR STATE EMPLOYEES.]

Subdivision 1. [STATE EMPLOYEES SUGGESTION BOARD.] The state employees suggestion board is composed of seven members appointed by the governor, each of whom is a state officer or employee. The board shall annually elect a member to be chairman. For the purposes of this section, "board" means the state employees suggestion board. The membership terms, expenses, removal of members, and filling of vacancies on the board

are as provided in section 15.0575. Members do not receive the daily compensation provided by section 15.0575. The board shall formulate, establish, and maintain plans to encourage and reward unusual and meritorious suggestions and accomplishments by state employees promoting efficiency and economy in state government; appoint committees to consider suggestions and accomplishments of state employees and make recommendations on them to the board; and render merit awards to state employees, which may include certificates, medals and other appropriate insignia, and cash awards, in accordance with the board's plans. The commissioner shall assign for the use of the board the personnel, facilities, and equipment required for the proper performance of its work. The commissioner, on behalf of the board, may require assistance from any state department of any of its personnel and facilities.

- Subd. 2. [EMPLOYEE ASSISTANCE PROGRAM; ADVISORY COM-MITTEE.] The commissioner shall provide an employee assistance program of training, diagnostic, and referral services for state employees and their dependents. The commissioner shall appoint an advisory committee on state employee assistance of not more than 15 members to advise the commissioner on the program. The committee is subject to the provisions of section 15.059.
- Sec. 42. [16B.40] [ADMINISTRATION OF STATE COMPUTER FACILITIES.]

Subdivision 1. [DEFINITIONS.] For the purposes of sections 42 to 47, the following terms have the meanings given them.

- (a) "Computer activity" means the development or acquisition of a data processing device or system.
- (b) "Data processing device or system" means any equipment or computer programs, including computer hardware, firmware, software, and communication protocol, used in connection with the processing of information via electronic data processing means, and includes data communication devices used in connection with computer facilities for the transmission of data.
- Subd. 2. [COMMISSIONER'S RESPONSIBILITY.] The commissioner is charged with integrating and operating the state's computer facilities to serve the needs of the state government. Except as otherwise provided by law, all plans and programs for systems and procedures analysis, information systems, and related computer efforts of agencies must be submitted to the commissioner prior to implementation for review and approval, modification, or rejection. The commissioner, after consulting the intergovernmental information systems advisory council, shall:
- (1) design and maintain a master plan for information systems in the state and its political subdivisions and shall report on the plan to the governor and legislature at the beginning of each regular session;
 - (2) establish standards for information systems;
- (3) maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government; and
 - (4) administer the communications for the state information system.
 - Subd. 3. [EVALUATION PROCEDURE.] The commissioner shall es-

tablish and, as necessary, update and modify procedures to evaluate computer activities proposed by state agencies. The evaluation must include the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility, of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with alternative solutions.

- Subd. 4. [EVALUATION AND APPROVAL REQUIREMENTS.] A state agency may not undertake a computer activity until the activity has been evaluated according to the procedures developed under subdivision 3 and the commissioners of administration and finance have given written approval of the proposed activity. If a proposed computer activity is not approved, the commissioner of finance shall cancel the unencumbered balance of any appropriation allotted for the activity. The commissioners of administration and finance may delegate their respective approval powers regarding computer activities to the head of another agency including the agency seeking approval if delegation is deemed appropriate.
- Subd. 5. [REPORT TO LEGISLATURE.] If a proposed computer activity is approved, the commissioners of administration and finance shall submit to the legislature a concise narrative explanation of the computer activity and a request for any additional appropriation necessary to complete the activity.
- Subd. 6. [SYSTEM DEVELOPMENT METHODOLOGY.] The commissioner shall establish and, as necessary, update and modify a methodology for the development of approved data processing systems by state agencies. The development methodology shall be used to define the design, programming, and implementation of approved data processing systems. The development methodology shall also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.
- Subd. 7. [SYSTEM DEVELOPMENT METHODOLOGY REQUIRE-MENTS.] A state agency may not develop, improve, or modify a data processing system using any methodology other than that established by the commissioner.
- Subd. 8. [DATA SECURITY SYSTEMS.] In consultation with the attorney general and appropriate agency heads, the commissioner shall develop, install, and administer state data security systems consistent with state law to assure the integrity of computer based and all other data and to assure confidentiality of the data, consistent with the public's right to know.
- Subd. 9. [JOINT ACTIONS.] The commissioner may, within available funding, join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.
- Sec. 43. [16B.41] [STATE INFORMATION SYSTEMS ADVISORY TASK FORCE.]

The commissioner may appoint a state information systems advisory task force to help the department develop and coordinate a state information services master plan and make recommendations to the commissioner con-

cerning the progress, direction, and needs of the state's computerization effort. The task force expires and the terms, compensation, and removal of members are as provided in section 15.059.

Sec. 44. [16B.42] [INTERGOVERNMENTAL INFORMATION SYSTEMS ADVISORY COUNCIL.]

Subdivision 1. [COMPOSITION.] The governor shall appoint an intergovernmental information systems advisory council, to serve at the pleasure of the governor, consisting of 25 members. Fourteen members shall be appointed or elected officials of local governments, seven shall be representatives of state agencies, and four shall be selected from the community at large. Further, the council shall be composed of (1) two members from each of the following groups: counties outside of the seven county metropolitan area, cities of the second and third class outside the metropolitan area, cities of the second and third class within the metropolitan area, and cities of the fourth class; (2) one member from each of the following groups: the metropolitan council, an outstate regional body, counties within the metropolitan area, cities of the first class, school districts in the metropolitan area, and school districts outside the metropolitan area; (3) one member each from the state departments of administration, education, public welfare, revenue, planning and the legislative auditor; (4) one member from the office of the state auditor; and (5) four members from the state community at large. To the extent permitted by available resources the commissioner shall furnish staff and other assistance as requested by the council. The council shall expire and the terms, compensation, and removal of members of the advisory council shall be as provided in section 15.059.

- Subd. 2. [DUTIES.] The council shall assist the commissioner in developing and updating intergovernmental information systems, including data definitions, format, and retention standards; recommend to the commissioner policies and procedures governing the collection, security, and confidentiality of data; review intergovernmental information and computer systems involving intergovernmental funding; encourage cooperative efforts among local governments in developing information systems to meet individual and collective, operational, and external needs; bring about the necessary degree of standardization consistent with local prerogatives; yield fiscal and other information required by state and federal laws and regulations in readily usable form; foster the efficient use of available federal, state, local, and private resources for the development of systems; keep local governments abreast of the state of the art in information systems, and prepare guidelines for intergovernmental systems.
- Subd. 3. [OTHER DUTIES.] The intergovernmental informations systems advisory council shall (1) recommend to the commissioners of state departments, the legislative auditor, and the state auditor a method for the expeditious gathering and reporting of information and data between agencies and units of local government in accordance with cooperatively developed standards; (2) elect an executive committee, not to exceed seven members from its membership; (3) develop an annual plan, to include administration and evaluation of grants, in compliance with applicable rules; (4) provide technical information systems assistance or guidance to local governments for development, implementation, and modification of automated systems, including formation of consortiums for those systems.
 - Subd. 4. [FUNDING.] Appropriations and other funds made available to

the council for staff, operational expenses, and grants must be administered through the department of administration. Revenues derived from royalties, reimbursements, or other fees from software programs, systems, or technical services arising out of activities funded by current or prior state appropriations is appropriated to the council for the purposes enumerated in subdivision 2.

Sec. 45. [16B.43] [EDUCATION MANAGEMENT INFORMATION SYSTEMS.]

Subdivision 1. [APPLICATION.] The authority of the commissioner under sections 42 to 44, 46, and 47 does not apply to ESV-IS, but applies to SDE-IS and computer-related services provided to the department of education by the department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in section 121.93.

Subd. 2. [FURNISHING STAFF AND ASSISTANCE.] To the extent permitted by available resources, the commissioner may furnish staff and other assistance to the department, the state board, the ESV computer council, and the Minnesota educational computing consortium in conjunction with their performance of the duties imposed by sections 121.931 to 121.938.

Sec. 46. [16B.44] [MODIFICATION OF OPERATING AND MANAGEMENT PROCEDURES.]

When improved program effectiveness, better use of services, and greater efficiency and economy in state government can be demonstrated, the commissioner with the approval of the governor may require a state agency to adjust its operating and management procedures to take advantage of improved systems, procedures, and methods resulting from systems analysis and information science technology.

Sec. 47. [16B.45] [FUNCTION OF LEGISLATIVE AUDITOR.]

The legislative auditor may conduct performance evaluations of all systems analysis, information services, and computerization efforts of agencies, the University of Minnesota, and metropolitan boards, agencies, and commissions. Upon request of the governing body or the state information systems advisory council, the legislative auditor shall conduct the same services for political subdivisions of the state and report the findings to the governor and the legislature. The cost of these evaluations must be paid by the agencies being evaluated.

Sec. 48. [16B.46] [TELECOMMUNICATION; POWERS.]

The commissioner shall supervise and control all state telecommunication facilities including any transmission, emission, or reception of signs, signals, writing, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems. Nothing in this section modifies, amends, or abridges any powers and duties presently vested in or imposed upon the commissioner of transportation or the commissioner of public safety relating to telecommunications facilities or the commissioner of transportation relating only to radio air navigation facilities or other air navigation facilities.

The commissioner shall provide micrographics services and products to meet agency needs. Within available resources, the commissioner may also provide micrographic services to political subdivisions. Agency plans and programs for micrographics must be submitted to and receive the approval of the commissioner prior to implementation. Upon the commissioner's approval, subsidiary or independent microfilm operations may be implemented in other state agencies. The commissioner may direct that copies of official state documents be distributed to official state depositories on microfilm.

Sec. 50. [16B.48] [GENERAL SERVICES AND COMPUTER SERVICES REVOLVING FUNDS.]

Subdivision 1. [REIMBURSEMENTS.] Fees prescribed pursuant to section 53, for the rendering of the services provided in that section are deposited in the state treasury by the collecting agency and credited to the general services revolving fund.

- Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money which is deposited in the fund is appropriated annually to the commissioner for the following purposes:
 - (1) to operate a central store and equipment service;
 - (2) to operate a central duplication and printing service;
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;
 - (4) to operate a documents service as prescribed by section 53; and
- (5) to perform services for any other agency. Money shall be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services, and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.
- Subd. 3. [COMPUTER SERVICES REVOLVING FUND.] Money in the computer services revolving fund is appropriated annually to the commissioner to operate the division of computer services.
- Subd. 4. [REIMBURSEMENTS.] Except as specifically provided otherwise by law, each agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner is authorized and directed to furnish an agency. The cost of all publications or other materials produced by the commissioner and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the com-

missioner of finance, may require an agency to make advance payments to the revolving funds in this section sufficient to cover the agency's estimated obligation for a period of at least 60 days. All such reimbursements and other money received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund. Any earnings remaining in the fund established to account for the documents service prescribed by section 53 at the end of each fiscal year not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, shall be transferred to the general fund.

Subd. 5. [LIQUIDATION.] If the computer services or general services revolving fund is abolished or liquidated, the total net profit from the operation of each fund shall be distributed to the various funds from which purchases were made. The amount to be distributed to each fund shall bear to such net profit the same ratio as the total purchases from each fund bears to the total purchases from all the funds during such period of time as shall fairly reflect the amount of net profit each fund is entitled to receive under the distribution required by this section.

CENTRAL SERVICES

Sec. 51. [16B.49] [CENTRAL MAILING SYSTEM.]

The commissioner shall maintain and operate for agencies a central mailing system. Official mail of an agency occupying quarters either in the capitol or in adjoining state buildings must be delivered unstamped to the central mailing station. Account must be kept of the postage required on that mail, which is then a proper charge against the agency delivering the mail. To provide funds for the payment of postage, each agency shall make advance payments to the commissioner sufficient to cover its postage obligations for at least 60 days.

Sec. 52. [16B.50] [CENTRAL DUPLICATING AND PRINTING DIVISION.]

The commissioner shall maintain and operate for agencies a central duplicating and printing division which is responsible for all duplicating and printing. The commissioner shall prescribe and designate classes of state printing. The duplicating and printing work to be done by the division is restricted to producing any form, booklet or pamphlet to the extent the commissioner deems appropriate.

Sec. 53. [16B.51] [AGENCY REPORTS.]

Subdivision 1. [SUPERVISION BY COMMISSIONER.] The commissioner shall supervise and control the making and distribution of all reports and other publications of all kinds issued by the state and state agencies when not otherwise prescribed by law. The commissioner shall also prescribe the manner and form of issuing reports required by sections 8.08; 16A.50; 35.03; 139.08, subdivision 5; 256.01; 268.12, subdivision 2; 299C.18; 343.08; and 360.015, subdivision 17.

Subd. 2. [PRESCRIBE FEES.] The commissioner may prescribe fees to be charged for services rendered by the state or an agency in furnishing to those who request them certified copies of records or other documents, certifying that records or documents do not exist and furnishing other reports, publica-

tions, or related material which is requested. The fees, unless otherwise prescribed by law, may be fixed at the market rate. The commissioner of finance is authorized to approve the prescribed rates for the purpose of assuring that they, in total, will result in receipts greater than costs in the fund. Fees prescribed under this subdivision are deposited in the state treasury by the collecting agency and credited to the general services revolving fund. Nothing in this subdivision permits the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.

- Subd. 3. [SALE OF PUBLICATIONS.] The commissioner may sell official reports, documents, and other publications of all kinds, may delegate their sale to state agencies, and may establish facilities for their sale within the department of administration and elsewhere within the state service.
- Subd. 4. [EXCEPTIONS.] This section does not apply to the Regents of the University of Minnesota or to the state agricultural society.
- Subd. 5. [LIMITATIONS ON SUBJECT MATTER PROHIBITED.] The commissioner may not adopt rules which limit in any way the subject matter of a report or publication which the law requires or authorizes an agency to produce.

Sec. 54. [16B.52] [MISUSE OF STATE PUBLICATIONS.]

Subdivision 1. [PERMISSIBLE PUBLICATIONS; PICTURES.] No elected, administrative, or executive state officer, may have printed, nor may the commissioner authorize the printing of, at government expense, official reports and other publications intended for general public circulation except those authorized by law or included in the intent of the appropriation out of which the cost will be defrayed. Executive officers shall, before presenting their annual reports and other publications to the commissioner, examine them and exclude from them pictures of elected and administrative officials, and any other pictorial device calculated to or tending to attribute the publication to an individual instead of the department of state government from which it emanates. All other engravings, maps, drawings and illustrations must be excluded from the reports and publications, except those the executive officers certify when they present the reports for printing to be necessary and to relate entirely to the transaction of the state's business, or to be reasonably required to present for clear understanding the substance of the report.

- Subd. 2. [ATTRIBUTION OF PUBLICATIONS.] A report or publication authorized by law and paid for from public funds must carry the imprimatur of the agency under whose authority it is issued, but it may not carry the name of an official in any way that might imply attributing the publication to any person, except where certification of the officer is required for authenticity of the document.
- Subd. 3. [DISTRIBUTION.] No report or publication distributed by or from an administrative or executive officer may contain any notice that it is sent with "the compliments" and may not carry letters of personal greeting from an official.
- Subd. 4. [EXCEPTION.] This section does not apply to the legislative manuals provided for in chapter 5.
 - Subd. 5. [PUBLICATIONS BY DEPARTMENT OF ADMINISTRA-

TION.] Notwithstanding the provisions of this section or any other law relating to the subject matter of this section, the department of administration may continue to publish reports, documents, and related materials of the same manner described in its catalogs of Minnesota state publications.

Sec. 55. [16B.53] [SALE OF LAWS AND RESOLUTIONS.]

- Subdivision 1. [AUTHORITY.] The commissioner shall provide for the sale and distribution of copies of laws and resolutions on file in the office of the secretary of state in accordance with this section. The secretary of state and the revisor of statutes shall cooperate with the commissioner in furnishing the services provided for in this section.
- Subd. 2. [CHARGES.] The commissioner shall establish charges for those laws and resolutions sufficient to cover their cost. Fees established for the sale and distribution of laws and resolutions, including mailing and postage charges, may be accepted by the commissioner in advance, and any unused portions amounting to \$1 or more may be returned to the person entitled to them upon request, notwithstanding the provision of any other law prohibiting refunds.
- Subd. 3. [REVOLVING FUND.] Money collected by the commissioner under this section must be deposited in the central services revolving fund in the state treasury. Money in that fund is annually appropriated to the commissioner for the purposes of carrying out this section.

VEHICLES

Sec. 56. [16B.54] [CENTRAL MOTOR POOL, ESTABLISHMENT.]

- Subdivision 1. [MOTOR POOLS.] The commissioner shall manage a central motor pool of passenger motor vehicles and trucks used by state agencies with principal offices in the city of St. Paul and may provide for branch central motor pools at other places within the state. For purposes of this section, "truck" means a pickup or panel truck up to one ton carrying capacity.
- Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPRO-PRIATION.] The commissioner may direct an agency to transfer to him a passenger motor vehicle or truck presently assigned to it for the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the national automobile dealers association official used car guide.
- (b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.
- (c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck shall be paid for it from the motor pool re-

volving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

- (d) [VEHICLES; MARKING.] The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide by rule for the use of motor vehicles without uniform coloring or marking by the governor, the lieutenant governor, the division of criminal apprehension, arson investigators of the division of fire marshal in the department of public safety, and the office of the attorney general.
- Subd. 3. [RESPONSIBLE PERSON; PERSONNEL.] The commissioner is responsible for the control, regulation, acquisition, operation, maintenance, repair, and disposal of all motor vehicles of the central motor pool. The commissioner may employ a director and other necessary classified employees for the operation of the central motor pool in accordance with chapter 43A.
- Subd. 4. [MAINTENANCE, REPAIR, AND STORAGE; APPROPRIATION.] (a) [MAINTENANCE, REPAIR, STORAGE.] The commissioner may contract with the head of an agency or another person operating facilities for the maintenance, repair, and storage of motor vehicles to provide for maintenance, repair, and storage of motor vehicles of the central motor pool.
- (b) [APPROPRIATION.] Money received by the head of an agency under a contract with the commissioner under this subdivision is annually appropriated to the agency for the same purposes as money expended by the agency head for the operation of state-owned facilities for the maintenance, repair, and storage of motor pool vehicles.
- Subd. 5. [USE OF MOTOR VEHICLES.] The motor vehicles in the central motor pool are for official state business only. An agency requiring the services of a motor vehicle shall request it from the central motor pool on either a temporary or permanent basis. No privately owned motor vehicle may be used for official state business except when authorized by the commissioner.
- Subd. 6. [SCHEDULE OF CHARGES.] An agency using the facilities of the central motor pool shall periodically reimburse the commissioner for the services, in accordance with the schedule of charges the commissioner establishes. This schedule of charges must be based on the costs incurred in operating the central motor pool, including reasonable overhead costs, vehicle depreciation, insurance for public liability and property damage, and other costs. The commissioner must retain records and reports and all schedules used as a basis for charging state agencies for the services furnished.
- Subd. 7. [EXCEPTIONS.] This section does not apply to motor vehicles of the state patrol or the University of Minnesota, or to motor vehicles of any other agency which are specially equipped for the needs of that agency.
- Subd. 8. [MOTOR POOL REVOLVING ACCOUNT.] (a) [ACCOUNT ESTABLISHED.] Money or reimbursements the commissioner receives

from the operation of the central motor pool is deposited in the state treasury and credited to a motor pool revolving account. Money in the account is annually appropriated to the commissioner to carry out this section. The motor pool revolving account may be used to provide material transfer services to agencies.

- (b) [UNOBLIGATED EXCESS TRANSFERRED.] When the unobligated amount of money in the state treasury credited to the motor pool revolving account exceeds the sum of \$438,000 at the end of any fiscal year, the unobligated amount in excess of \$438,000 must be transferred to the general fund in the state treasury.
- Sec. 57. [16B.55] [USE OF STATE VEHICLES; COMPENSATION FOR USE OF PERSONAL VEHICLES.]

Subdivision 1. [DEFINITION.] For purposes of this section, "state vehicle" means a vehicle owned or leased by the state or loaned to the state.

- Subd. 2. [PROHIBITED USES.] A state vehicle may be used only for authorized state business. A state vehicle may not be used for transportation to or from the residence of a state employee, except as provided in subdivision 3.
- Subd. 3. [PERMITTED USES.] A state vehicle may be used by a state employee to travel to or from the employee's residence:
- (1) on a day on which it may be necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working;
- (2) if the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which he is permanently assigned;
- (3) if the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which he is permanently assigned, and the number of miles travelled, or the time needed to conduct the business, will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after travelling to the place of state business.

Use of a state vehicle pursuant to this subdivision requires the prior approval of the agency head or the designee of the agency head. Within 15 days of the end of each three-month period, the head of each agency shall report to the commissioner on each case in which a state vehicle is used by an employee of that agency to travel to or from the employee's residence. The commissioner shall specify the form of this report and the information to be included. If no state vehicles have been used for this travel, the head of the state agency shall report this to the commissioner; or

- (4) if the employee is authorized to participate in a ridesharing program established by the commissioner pursuant to section 174.257.
- Subd. 4. [PERSONAL VEHICLES.] No state employee shall be compensated by the state for use of a personal vehicle for travel between the employee's residence and the state work station to which the employee is permanently assigned, except pursuant to a collective bargaining agreement

negotiated under chapter 179 or a compensation plan adopted by the commissioner of employee relations under section 43A.05. A collective bargaining agreement or compensation plan may only provide for this compensation in cases in which an employee is called back to work during hours when the employee is not normally working.

- Subd. 5. [EXCLUSIONS.] Subdivisions 2 to 4 do not apply to the van pooling program established in section 58, to a ride-sharing program established by the department of transportation, to a trooper employed by the state patrol, or to use of a state vehicle by the governor or lieutenant governor.
- Subd. 6. [ADMINISTRATIVE POLICIES.] The commissioner shall determine when an employee must reimburse the state for use of a state vehicle and the rates of reimbursement. Rates of reimbursement shall cover the full cost to the state for the travel for which reimbursement is required. The commissioner shall also set operating procedures for use of state vehicles. These rules, rates, and operating procedures are not subject to the administrative procedure act. Money received under these rules shall be deposited as nondedicated receipts to the credit of the fund from which the costs of operating the individual vehicles are paid.
- Sec. 58. [16B.56] [COMMUTER VANS; STATE EMPLOYEES AND SPOUSES; BLIND VENDING OPERATORS.]
- Subdivision 1. [EMPLOYEE TRANSPORTATION PROGRAM.] (a) [ESTABLISHMENT.] To conserve energy and alleviate traffic congestion around state offices, the commissioner shall, in cooperation with the commissioner of energy and economic development, the commissioner of transportation, and interested nonprofit agencies, establish and operate an employee transportation program using commuter vans with a capacity of not less than seven nor more than 16 passengers. Commuter vans may be used by state employees and blind vending operators to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees and blind vending operators in accordance with standards and procedures adopted by the commissioner. The commissioner shall promote the maximum participation of state employees and blind vending operators in the use of the vans.
- (b) [ADMINISTRATIVE POLICIES.] The commissioner shall adopt standards and procedures under this section without regard to chapter 14. The commissioner shall provide for the recovery by the state of vehicle acquisition, lease, operation, and insurance costs through efficient and convenient assignment of vans, and for the billing of costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. Fees collected under this subdivision shall be deposited in the accounts from which the costs of operating, maintaining, and leasing or amortization for the specific vehicle are paid.
- Subd. 2. [ELIGIBLE PARTICIPANTS.] State and other public employees and their spouses and other people who work in buildings owned or leased by the state are eligible for the employee transportation program established by

- this section, if the driver and substitute driver of every van pool are state employees and if state employees constitute a majority of the members of every van pool. Available space in van pools must, whenever possible, be filled by state employees.
- Subd. 3. [AREAS OF USE.] Use of the vans pursuant to this section is limited to areas not having adequate public transportation between the residences of state employees and blind vending operators and their places of employment.
- Subd. 4. [EVALUATION.] The commissioner shall at least semiannually inform the metropolitan council and the capitol area architectural and planning board on the operation of the program.
- Subd. 5. [INSURANCE; LIMITATIONS.] Notwithstanding section 15.31 or any other law to the contrary, the commissioner may purchase, pursuant to this chapter, collision insurance coverage for the commuter vans. Notwithstanding sections 56, subdivision 2, and 168.012, the vans may not be marked. The vans may not be equipped with tax-exempt motor vehicle number plates.
- Subd. 6. [BLIND VENDING OPERATOR.] "Blind vending operator" means a blind person licensed to operate a vending stand or machine pursuant to section 248.07.
- Sec. 59. [16B.57] [GASOLINE AND PETROLEUM PRODUCTS, SOURCE OF SUPPLY FOR AGENCIES.]
- Subdivision 1. [PETROLEUM PRODUCTS FACILITIES.] The commissioner may require a state agency which has facilities for the storage and distribution of gasoline and other petroleum products to furnish gasoline and other petroleum products to any other state agency and shall require payment to compensate for the cost of those products. The commissioner shall prescribe all procedures for the guidance of state agencies in carrying out the requirements of this section.
- Subd. 2. [APPROPRIATION.] Money paid by one state agency to another to compensate for the cost of products furnished under subdivision 1 is annually appropriated to the state agency which furnishes those products.
 - Sec. 60. [16B,58] [STATE PARKING FACILITIES.]
- Subdivision 1. [POWERS AND DUTIES OF THE COMMISSIONER.] No person may park a motor vehicle, either privately or publicly owned, upon any parking lot or facility owned or operated by the state except as authorized by this section. The commissioner shall operate and supervise all state parking lots and facilities. He may fix and collect rents, charges, or fees in connection with and for the use of any state parking lot or facility within the cities of St. Paul and Minneapolis except for any state lot or facility the control of which is vested by law in a state agency other than the department of administration.
- Subd. 2. [RULES.] Copies of the commissioner's rules under this section must be provided to all contract parkers. Each parking lot or facility must be posted with notice of who is entitled to park there.
 - Subd. 3. [REMOVAL AND IMPOUNDING OF VEHICLES.] A motor

vehicle parked on a state parking lot or facility in violation of the rules of the commissioner is a public nuisance and the commissioner shall provide for the abatement of the nuisance by rules, including provision for the removal and impounding of the motor vehicle. The cost of the removal and impounding is a lien against the motor vehicle until paid.

- Subd. 4. [VIOLATIONS.] A person, elective or appointed state official, firm, association, or corporation which violates any of the provisions of this section or any rule made by the commissioner under this section is guilty of a misdemeanor.
- Subd. 5. [MONEY COLLECTED.] Money collected by the commissioner as rents, charges, or fees in connection with and for the use of a parking lot or facility is appropriated to the commissioner for the purpose of operating, maintaining, and improving parking lots or facilities owned or operated by the state, including providing necessary and suitable uniforms for employees, and to carry out the purposes of this section, except as provided in subdivision 7.
- Subd. 6. [LEGISLATIVE PARKING RESOLUTIONS.] The provisions of this section do not affect rules of parking adopted by resolution of the legislature during legislative sessions.
- Subd. 7. [SURCHARGE FOR VEHICLES OCCUPIED BY ONE PER-SON.] The commissioner shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account is appropriated to the commissioner and shall be used by the commissioner to acquire or lease commuter vans pursuant to section 58 and, within limits and upon conditions the commissioner determines to be necessary, to reimburse state agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 473.409. The commissioner may adopt rules necessary to administer the provisions of this subdivision, subdivision 5, and section 473.409. The rules may exempt from the surcharge vehicles operated by persons whom the commissioner determines have job requirements that make car pooling impractical.
- Subd. 8. [FEES CHARGED STATE EMPLOYEES.] Notwithstanding any other law to the contrary, the commissioner shall charge state employees for parking facilities which are used by them and furnished for their use pursuant to any lease entered into between the state of Minnesota and the lessor of any privately owned property situated in the seven county metropolitan area.

STATE BUILDING CODE

Sec. 61. [16B.59] [STATE BUILDING CODE; POLICY AND PURPOSE.]

The state building code governs the construction, reconstruction, alteration, and repair of state-owned buildings and other structures to which the code is applicable. The commissioner shall administer and amend a state code of building construction which will provide basic and uniform perfor-

mance standards, establish reasonable safeguards for health, safety, welfare, comfort, and security of the residents of this state and provide for the use of modern methods, devices, materials, and techniques which will in part tend to lower construction costs. The construction of buildings should be permitted at the least possible cost consistent with recognized standards of health and safety.

Sec. 62. [16B.60] [DEFINITIONS, STATE BUILDING CODE.]

Subdivision 1. [SCOPE.] For the purposes of sections 61 to 75, the terms defined in this section have the meanings given them.

- Subd. 2. [CITY.] "City" means a home rule charter or statutory city.
- Subd. 3. [MUNICIPALITY.] "Municipality" means a city, county, or town meeting the requirements of section 368.01, subdivision 1, or the University of Minnesota.
- Subd. 4. [CODE.] "Code" means the state building code adopted by the commissioner in accordance with sections 61 to 75.
- Subd. 5. [AGRICULTURAL BUILDING.] "Agricultural building" means a structure on agricultural land as defined in section 273.13, subdivision 6, designed, constructed, and used to house farm implements, livestock, or agricultural produce or products used by the owner, lessee, and sublessee of the building and members of their immediate families, their employees, and persons engaged in the pickup or delivery of agricultural produce or products.
- Subd. 6. [PUBLIC BUILDING.] "Public building" means a building and its grounds, the cost of which is paid for by the state, a state agency or governmental subdivision, an agency of a governmental subdivision, or a school district.
- Subd. 7. [PHYSICALLY HANDICAPPED.] "Physically handicapped" means having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities of aging, or other disabilities that significantly reduce mobility, flexibility, coordination, or perceptiveness.
- Subd. 8. [REMODELING.] "Remodeling" means deliberate reconstruction of an existing public building in whole or in part in order to bring it up to date in conformity with present uses of the structure and to which other rules on the upgrading of health and safety provisions are applicable.

Sec. 63. [16B.61] [GENERAL POWERS OF COMMISSIONER, STATE BUILDING CODE.]

Subdivision 1. [ADOPTION OF CODE.] Subject to sections 61 to 75, the commissioner shall by rule establish a code of standards for the construction, reconstruction, alteration, and repair of state-owned buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety. The code must conform insofar as practicable to model building codes generally accepted and in use throughout the United States. In the preparation of the code, consideration must be given to the existing state-wide specialty codes presently in use in the state. Model codes with necessary modifications and state-wide specialty codes may be adopted by reference. The code must be based on the application of scientific princi-

ples, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials. Except as otherwise provided in sections 61 to 75, the commissioner shall administer and enforce the provisions of those sections.

- Subd. 2. [ENFORCEMENT BY CERTAIN BODIES.] Under the direction and supervision of the commissioner, the provisions of the code relating to electrical installations shall be enforced by the state board of electricity, pursuant to the Minnesota Electrical Act, the provisions relating to plumbing shall be enforced by the commissioner of health, the provisions relating to fire protection shall be enforced by the state fire marshal, the provisions relating to high pressure steam piping and appurtenances and elevators shall be enforced by the department of labor and industry, and the code as applied to public school buildings shall be enforced by the state board of education. Fees for inspections conducted by the state board of electricity shall be paid in accordance with the rules of the state board of electricity.
- Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.] The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.
- (b) [SMOKE DETECTION DEVICES.] The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.
- (c) [DOORS IN NURSING HOMES AND HOSPITALS.] The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.
- Subd. 4. [REVIEW OF PLANS FOR PUBLIC BUILDINGS.] Construction or remodeling may not begin on any public building owned by the state until the plans and specifications of the public building have been approved by the commissioner. In the case of any other public building, the plans and specifications must be submitted to the commissioner for review, and within 30 days after his receipt of the plans and specifications, he shall notify the submitting authority of his recommendations if any.
- Subd. 5. [ACCESSIBILITY.] (a) [PUBLIC BUILDINGS.] The code must provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by physically handicapped persons, although this does not require the remodeling of public buildings solely to provide accessibility and usability to the physically handicapped when remodeling would not otherwise be undertaken.
- (b) [LEASED SPACE.] No agency of the state may lease space for agency operations in a non-state-owned building unless the building satisfies the

requirements of the state building code for accessibility by the physically handicapped, or is eligible to display the state symbol of accessibility. This limitation applies to leases of 30 days or more for space of at least 1,000 square feet.

- (c) [MEETINGS OR CONFERENCES.] Meetings or conferences for the public or for state employees which are sponsored in whole or in part by a state agency must be held in buildings that meet the state building code requirements relating to accessibility for physically handicapped persons. This subdivision does not apply to any classes, seminars, or training programs offered by a state university, the University of Minnesota, or a state community college. Meetings or conferences intended for specific individuals none of whom need the accessibility features for handicapped persons specified in the state building code need not comply with this subdivision unless a handicapped person gives reasonable advance notice of his or her intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites must be chosen which allow hearing impaired participants to see their signing clearly.
- (d) [EXEMPTIONS.] The commissioner may grant an exemption from the requirements of paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts were made to secure facilities which complied with those requirements and if the selected facilities are the best available for access for handicapped persons. Exemptions shall be granted using criteria developed by the commissioner in consultation with the council for the handicapped.
- (e) [SYMBOL INDICATING ACCESS.] The wheelchair symbol adopted by Rehabilitation International's Eleventh World Congress is the state symbol indicating buildings, facilities, and grounds which are accessible to and usable by handicapped persons. In the interests of uniformity, this symbol in its white on blue format is the sole symbol for display in or on all public or private buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain the symbol and keep it on file. No building, facility, or grounds may display the symbol unless it is in compliance with the rules adopted by the commissioner under subdivision 1. Before any rules are proposed for adoption under this paragraph, the commissioner shall consult with the state council for the handicapped. Rules adopted under this paragraph must be enforced in the same way as other accessibility rules of the state building code.
- (f) [MUNICIPAL ENFORCEMENT.] Municipalities which have not adopted the state building code may enforce the building code requirements for handicapped persons by either entering into a joint powers agreement for enforcement with another municipality which has adopted the state building code; or contracting for enforcement with an individual certified under section 67, subdivision 3, to enforce the state building code.

Sec. 64. [16B.62] [STATE BUILDING CODE; APPLICATION.]

Subdivision 1. [MUNICIPAL ENFORCEMENT.] The state building code applies state-wide and supersedes the building code of any municipality. The state building code does not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by sections 104.05, 326.244, and 116J.19, subdivision 8. All municipalities shall adopt

and enforce the state building code with respect to new construction within their respective jurisdictions.

If a city has adopted or is enforcing the state building code on June 3, 1977, or determines by ordinance after that date to undertake enforcement, it shall enforce the code within the city. A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction. Where two or more noncontiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated territory even though another city less than four miles distant later elects to enforce the code. After the extension, the city may enforce the code in the designated area to the same extent as if the property were situated within its corporate limits.

A city which, on June 3, 1977, had not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city commences on the first day of January in the year following the notice and hearing.

Municipalities may provide for the issuance of permits, inspection, and enforcement within their jurisdictions by means which are convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition, or alteration. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, the commissioner shall train and designate individuals available to carry out inspection and enforcement on a fee basis.

Subd. 2. [ENFORCEMENT BY STATE BUILDING INSPECTOR.] If the commissioner determines that a municipality is not properly administering and enforcing the state building code as provided in section 73, the commissioner may have the administration and enforcement in the involved municipality undertaken by the state building inspector. The commissioner shall notify the affected municipality in writing immediately upon making the determination, and the municipality may challenge the determination as a contested case before the commissioner pursuant to the administrative procedure act. In municipalities not properly administering and enforcing the state building code, and in municipalities who determine not to administer and enforce the state building code, the commissioner shall have administration and enforcement undertaken by the state building inspector or by another inspector certified by the state. The commissioner shall determine appropriate fees to be charged for the administration and enforcement service ren-

dered. Any cost to the state arising from the state administration and enforcement of the state building code shall be borne by the subject municipality.

Sec. 65. [16B.63] [STATE BUILDING INSPECTOR.]

Subdivision 1. [APPOINTMENT.] The commissioner shall appoint a state building inspector who under the direction and supervision of the commissioner shall administer the code.

- Subd. 2. [QUALIFICATIONS.] To be eligible for appointment as state building inspector an individual must be competent in the field of administration and shall have the experience in building design, construction, and supervision which the commissioner considers necessary.
- Subd. 3. [POWERS AND DUTIES.] The state building inspector may, with the approval of the commissioner, employ personnel necessary to carry out his function under sections 61 to 75. The state building inspector shall distribute without charge one copy of the code to each municipality within the state. Additional copies shall be made available to municipalities and interested parties for a fee prescribed by the commissioner. The state building inspector shall perform other duties in administering the code assigned to him by the commissioner.
- Sec. 66. [16B.64] [APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.]

Subdivision 1. [APPLICABILITY.] Subject to this section, the adoption of the code and amendment is subject to the administrative procedure act.

- Subd. 2. [DISTRIBUTION OF INCORPORATIONS BY REFERENCE.] The commissioner need not publish or distribute those parts of the code which are adopted by reference pursuant to section 14.06.
- Subd. 3. [FILING.] The commissioner shall file one copy of the complete code with the secretary of state, except that all standards referred to in any model or state-wide specialty code or any of the modifications of a code need not be filed. All standards referred to in the code must be kept on file and available for inspection in the office of the commissioner.
- Subd. 4. [HEARINGS.] The commissioner, except in the case of energy conservation standards promulgated or amended pursuant to section 116J.19, subdivision 8, shall hold all state hearings and make all determinations regarding any subject matter dealt with in the code including those in which another state agency proposes to adopt or amend rules which are incorporated by reference into the code or whenever the commissioner proposes to incorporate those rules into the state building code. In no event shall a state agency subsequently authorized to adopt rules involving state building code subject matter proceed to adopt the rules without prior consultation with the commissioner.
- Subd. 5. [PROPOSED AMENDMENTS; HEARINGS.] Any interested person may propose amendments to the code which may be either applicable to all municipalities or, where it is alleged and established that conditions exist within a municipality which are not generally found within other municipalities, amendments may be restricted in application to that municipality. Notice of public hearings on proposed amendments shall be given to the

governing bodies of all municipalities in addition to those persons entitled to notice under the administrative procedure act.

- Subd. 6. [ADOPTION.] The commissioner shall approve any proposed amendments which he deems to be reasonable in conformity with the policy and purpose of the code and justified under the particular circumstances involved. Upon adoption, a copy of each amendment must be distributed to the governing bodies of all affected municipalities.
- Subd. 7. [INVESTIGATION AND RESEARCH.] With the approval of the commissioner the state building inspector shall investigate or provide for investigations, or may accept authenticated reports from authoritative sources, concerning new materials or modes of construction intended for use in the construction of buildings or structures, and shall propose amendments to the code setting forth the conditions under which the new materials or modes may be used.

Sec. 67. [16B.65] [BUILDING OFFICIALS.]

Subdivision 1. [APPOINTMENTS.] The governing body of each municipality shall, unless other means are already provided, appoint a person to administer the code who shall be known as a building official. Two or more municipalities may combine in the appointment of a single building official for the purpose of administering the provisions of the code within their communities. In those municipalities for which no building officials have been appointed, the state building inspector, with the approval of the commissioner, may appoint building officials to serve until the municipalities have made an appointment. If the state building inspector is unable to make an appointment he may use whichever state employees or state agencies are necessary to perform the duties of the building official. All costs incurred by virtue of an appointment by the state building inspector or services rendered by state employees must be borne by the involved municipality. Receipts arising from the appointment must be paid into the state treasury and credited to the general fund.

- Subd. 2. [QUALIFICATIONS.] A building official, to be eligible for appointment, must have the experience in design, construction, and supervision which the commissioner deems necessary and must be generally informed on the quality and strength of building materials, accepted building construction requirements, and the nature of equipment and needs conducive to the safety, comfort, and convenience of building occupants. Each building official must be certified under this section, except that the qualifications outlined in this section are not mandatory regarding any building official in any municipality engaged in the administration of a building code on May 27, 1971, and continuing that function through July 1, 1972.
- Subd. 3. [CERTIFICATION.] The department of employee relations, with the approval of the commissioner, shall either:
- (1) prepare and conduct oral, written, and practical examinations to determine if a person is qualified pursuant to subdivision 2 to be a building official, or
- (2) accept documentation of successful completion of programs of training developed by public agencies, as proof of qualification pursuant to subdivision 2.

Upon a determination of qualification under either clause (1) or (2) of this section the commissioner shall issue a certificate to the building official stating that he is certified. Each person applying for examination and certification pursuant to this section shall pay a fee of \$20. The department of employee relations and the commissioner or his designee may establish classes of certification that will recognize the varying complexities of code enforcement in the municipalities within the state. Except as provided by subdivision 2, no person may act as a building official for a municipality unless the department of employee relations and the commissioner determine that he is qualified. The department of employee relations may, with the approval of the commissioner, prepare and conduct educational programs designed to train and assist building officials in carrying out their responsibilities. The commissioner shall reimburse the department of employee relations for costs of any services performed by them pursuant to this section.

- Subd. 4. [DUTIES.] Building officials shall, in the municipality for which they are appointed, attend to all aspects of code administration, including the issuance of all building permits and the inspection of all manufactured home installations. The commissioner may direct a municipality with a building official to perform services for another municipality, and in that event the municipality being served shall pay the municipality rendering the services the reasonable costs of the services. The costs may be subject to approval by the commissioner.
- Subd. 5. [REMOVAL FROM OFFICE.] Except as otherwise provided for by law the commissioner may, upon notice and hearing, direct the dismissal of a building official when it appears to him by competent evidence that the building official has consistently failed to act in the public interest in the performance of his duties. Notice must be provided and the hearing conducted in accordance with the provisions of chapter 14 governing contested case proceedings. Nothing in this subdivision limits or otherwise affects the authority of a municipality to dismiss or suspend a building official at its discretion, except as otherwise provided for by law.
- Subd. 6. [VACANCIES.] In the event that a certified building official vacates his position within a municipality, that municipality shall appoint a certified building official to fill the vacancy as soon as possible. If the municipality fails to appoint a certified building official within 90 days of the occurrence of the vacancy, the state building inspector may make the appointment or provide state employees to serve that function as provided in subdivision 1.

Sec. 68. [16B.66] [CERTAIN INSPECTIONS.]

The state building inspector may, upon an application setting forth a set of plans and specifications that will be used in more than one municipality to acquire building permits, review and approve the application for the construction or erection of any building or structure designed to provide dwelling space for no more than two families if the set of plans meets the requirements of the state building code. All costs incurred by the state building inspector by virtue of the examination of the set of plans and specifications must be paid by the applicant. The plans and specifications or any plans and specifications required to be submitted to a state agency must be submitted to the state building inspector who shall examine them and if necessary distribute

them to the appropriate state agencies for scrutiny regarding adequacy as to electrical, fire safety, and all other appropriate features. These state agencies shall examine and promptly return the plans and specifications together with their certified statement as to the adequacy of the instruments regarding that agency's area of concern. A building official shall issue a building permit upon application and presentation to him of a set of plans and specifications bearing the approval of the state building inspector if the requirements of all other local ordinances are satisfied.

Sec. 69. [16B.67] [APPEALS.]

A person aggrieved by the final decision of any municipality as to the application of the code, including any rules adopted under sections 471.465 to 471.469, may, within 30 days of the decision, appeal to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with his request for appeal. The final decision of the involved municipality is subject to review de novo by the commissioner or his designee. The commissioner shall submit his written findings to the parties. Any person aggrieved by a ruling of the commissioner may appeal in accordance with chapter 14. For the purpose of this section "any person aggrieved" includes the state council for the handicapped. No fee shall be required when the council for the handicapped is the appellant.

Sec. 70. [16B.68] [CERTAIN PERMITS.]

Building permits or certificates of occupancy validly issued before July I, 1972, regarding buildings or structures being constructed or altered according to the permits or certificates, are valid after that date. The construction may be completed according to the building permit, unless the building official determines that life or property is in jeopardy.

Sec. 71. [16B.69] [VIOLATION, PENALTY.]

A violation of the code is a misdemeanor.

Sec. 72. [16B.70] [SURCHARGE.]

Subdivision 1. [COMPUTATION.] To defray the costs of administering sections 61 to 75, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971, as follows:

If the fee for the permit issued is fixed in amount the surcharge is equivalent to 1/2 mill (.0005) of the fee or 50 cents, whichever amount is greater. For all other permits, the surcharge is as follows: (a) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the surcharge is equivalent to 1/2 mill (.0005) of the valuation of the structure, addition, or alteration; (b) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths mill (.0004) of the value between \$1,000,000 and \$2,000,000; (c) if the valuation is greater than \$2,000,000 the surcharge is \$900 plus three-tenths mill (.0003) of the value between \$2,000,000 and \$3,000,000; (d) if the valuation is greater than \$3,000,000 the surcharge is \$1,200 plus one-fifth mill (.0002) of the value between \$3,000,000 and \$4,000,000; (e) if the valuation is greater than \$4,000,000 the surcharge is \$1,400 plus one-tenth mill (.0001) of the value between \$4,000,000 and \$5,000,000; and (f) if the valuation exceeds \$5,000,000 the surcharge is \$1,500 plus one-twentieth mill (.00005)

of the value which exceeds \$5,000,000.

By September 1 of each odd-numbered year, the commissioner shall rebate to municipalities any money received under this section and section 64 in the previous biennium in excess of the cost to the building code division in that biennium of carrying out their duties under sections 61 to 75. The rebate to each municipality must be in proportion to the amount of the surcharges collected by that municipality and remitted to the state. The amount necessary to meet the commissioner's rebate obligations under this subdivision is appropriated to the commissioner from the general fund.

Subd. 2. [COLLECTION AND REPORTS.] All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month, but shall retain two percent of the surcharges collected to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter, but shall retain four percent of the surcharges collected to apply against the administrative expenses the municipalities incur in collecting the surcharges. The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. All surcharges and other fees prescribed by sections 61 to 73, which are payable to the state, must be paid to the commissioner who shall deposit them in the state treasury for credit to the general fund.

Sec. 73. [16B.71] [PERMIT FEES, TO WHOM APPLICABLE.]

Municipal building officials shall administer and enforce the state building code with respect to all subject structures constructed within their jurisdiction, including all buildings constructed by the state of Minnesota, its agencies, departments, and instrumentalities, school districts, municipalities as defined in section 62, and the University of Minnesota. These governmental bodies shall pay the building permit fees and surcharges that the inspecting municipality customarily imposes for its administration and enforcement of the code.

Sec. 74. [16B.72] [REFERENDA ON STATE BUILDING CODE IN NONMETROPOLITAN COUNTIES.]

Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the state building code before January 1, 1977, that no part of the state building code except the building requirements for handicapped persons applies within its jurisdiction.

The county board may submit to the voters at a regular or special election the question of adopting the building code. The county board shall submit the question to the voters if it receives a petition for the question signed by a number of voters equal to at least five percent of those voting in the last general election. The question on the ballot must be stated substantially as follows:

"Shall the state building code be adopted in County?"

If the majority of the votes cast on the proposition is in the negative, the state building code does not apply in the subject county, outside home rule charter or statutory cities or towns that adopted the building code before January 1, 1977, except the building requirements for handicapped persons do apply.

Nothing in this section precludes a home rule charter or statutory city or town that did not adopt the state building code before January 1, 1977, from adopting and enforcing the state building code within its jurisdiction.

Sec. 75. [16B.73] [STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500; LOCAL OPTION.]

The governing body of a municipality whose population is less than 2,500 may provide that the state building code, except the requirements for handicapped persons, will not apply within the jurisdiction of the municipality, if the municipality is located in whole or in part within a county exempted from its application under section 74. If more than one municipality has jurisdiction over an area, the state building code continues to apply unless all municipalities having jurisdiction over the area have provided that the state building code, except the requirements for handicapped persons, does not apply within their respective jurisdictions.

- Sec. 76. Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9, is amended to read:
- Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire including the following:
 - (1) an alien:
 - (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, county highway engineer, and peace officer while engaged in the enforcement of peace or in the pursuit or capture of any person charged with or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;
 - (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision in it. An officer of a political subdivision elected or appointed for a regular term of office, or to complete the unexpired portion of a regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation, except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), or an executive officer of a closely held corporation who is referred to in section

176.012;

- (7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;
- (8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision of it, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;
- (9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;
- (10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;
- (11) a member of the military forces, as defined in section 190.05, while in state active service, as defined in section 190.05, subdivision 5a. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;
- (12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;
- (13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota School for the Deaf or the Minnesota Braille and Sight-Saving School, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee. In the event of injury or death of the voluntary uncompensated

worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

- (14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;
- (15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose; and
- (16) those students enrolled in and regularly attending the medical school of the University of Minnesota, whether in the graduate school program or the post-graduate program, as provided in section 147.20, notwithstanding that the students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation payable under chapter 176, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits payable under chapter 176; and
- (17) a voluntary uncompensated worker, accepted by the commissioner of administration, rendering services as a volunteer at the department of administration. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services were performed by paid employees.

In the event it is difficult to determine the daily wage as provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

- Sec. 77. Minnesota Statutes 1982, section 645.445, subdivision 5, is amended to read:
- Subd. 5. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic conditions. This disadvantage may arise from cultural, social or economic circumstances, or background, physical location if the person resides or is employed in an area designated a labor surplus area by the United States department of commerce labor, or other similar cause. It includes racial minorities, women, or persons who have suffered a substantial physical disability.

Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02, subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19. 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54: 16.55: 16.56: 16.71: 16.72: 16.723: 16.73: 16.75. subdivisions 1. 2. 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824: 16.825: 16.826: 16.827: 16.83: 16.84: 16.85: 16.851. subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5 and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82, subdivision 1; 16.851, subdivision 3; 16.861; subdivision 3; 16.863; 16.866, subdivision 1: 16.872; 16.90, subdivision 4: 16.91; and 16.911; are repealed."

Delete the title and insert:

"A bill for an act relating to state government; recodifying the laws governing the department of administration; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16A.065; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9; proposing new law coded in Minnesota Statutes, chapter 16A; proposing new law coded as Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02, subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19, 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54; 16.55; 16.56; 16.71; 16.72; 16.723; 16.73; 16.75, subdivisions 1, 2, 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824; 16.825; 16.826; 16.827; 16.83; 16.84; 16.85; 16.851, subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5, and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82, subdivision 1; 16.851, subdivision 3; 16.861, subdivision 3; 16.866, subdivision 1; 16.872; 16.90, subdivision 4; 16.91; and 16.911."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1514: A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivision 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.46, subdivision 1; 115A.70, by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivisions 5 and 5a; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 116E; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 115A.03, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 115A.01 to 115A.72 and sections 34 to 55, the terms defined in this section have the meanings given them, unless the context requires otherwise.

- Sec. 2. Minnesota Statutes 1982, section 115A.03, subdivision 28, is amended to read:
- Subd. 28. "Resource recovery facility" means a waste facility established and used primarily for resource recovery, including transmission facilities, transfer stations, and other related and appurtenant facilities that primarily serve the resource recovery facility.
- Sec. 3. Minnesota Statutes 1982, section 115A.06, is amended by adding a subdivision to read:
- Subd. 5a. [ACQUISITION OF EASEMENTS.] If the board determines that any activity necessary to accomplish its purposes under subdivision 5 constitutes a substantial interference with the possession, enjoyment, or value of the private property where the activity will take place, the board may direct the commissioner of administration to acquire a temporary easement interest in the property that permits the board to carry out the activity and other activities incidental to the accomplishment of the same purpose. The board may direct the commissioner of administration to acquire temporary easement interests under this subdivision by purchase, gift, or condemnation. The right of the board to acquire a temporary easement is subject to the same requirements and may be exercised with the same authority as provided for acquisition of property interests by the commissioner of administration under subdivision 4.
- Sec. 4. [115A.065] [AGREEMENT TO PURCHASE CERTAIN PROPERTY; ELIGIBILITY, TERMS, AND REQUIREMENTS; DISPOSITION OF ACQUIRED PROPERTY.]
- Subdivision 1. [PUBLIC PURPOSE.] The legislature finds that the selection and evaluation of more than one candidate site for the location of a hazardous waste disposal facility is necessary and proper to enable the state, if necessary, to select and acquire an environmentally suitable site for the safe disposal of hazardous waste and that the purchase of property in the immediate area of candidate sites where environmental review is conducted is an appropriate means to avoid or mitigate any disproportionate burden that may be incurred by the owners of the property as a result of the selection and evaluation of the candidate sites.
- Subd. 2. [ELIGIBILITY.] A person who owns a parcel of real property with any part located within a candidate site or within one-half mile of the boundary of the candidate site when the board begins environmental review of the candidate site is eligible to enter a contract for the purchase to have that parcel purchased as provided in subdivision 3. An owner who enters a contract for the purchase of a parcel of property under subdivision 3 and fails to carry out the terms of the contract is not eligible to enter another contract for the purchase of that parcel of property. For the purpose of this section environmental review of a candidate site begins when the board has reduced the area of the candidate site to not more than 640 acres and has issued the disclosure document required for the phase I environmental impact statement.
- Subd. 3. [CONTRACT; TERMS AND REQUIREMENTS.] If an eligible owner submits a written request to the commissioner of administration to enter a contract for the purchase of real property, the commissioner shall

offer a contract to the owner as provided in this subdivision. The contract must be executed before the board makes a final decision under section 115A.28, except for property located within one-half mile of the boundary of a site and buffer area selected under section 115A.28, the contract must be executed within one year after the site and buffer area are selected. The contract shall include the following terms:

- (1) The owner must make a good faith effort to sell the property at the appraised market value on the open market through a licensed real estate agent approved by the commissioner. The offer to sell the property must remain open for at least six months beginning within one month after the appraised market value of the property is determined under clause (2).
- (2) The appraised market value of the property must be determined by an appraiser selected by the commissioner. If the owner disagrees with the appraisal, the owner shall select an appraiser and obtain a second appraisal. The commissioner and the owner may agree on an appraised market value equal to either the first or second appraisal or any amount between those appraisals. If the owner and the commissioner cannot agree on an appraised market value, the two appraisers shall select a third appraiser and the appraised market value shall be determined by a majority of the three appraisers. All appraisers shall be selected from the commissioner's approved list of real property appraisers, and shall take an oath that they have no interest in any of the property to be appraised or in the purchase thereof. Each party shall pay the cost of any appraiser selected by that party and shall share equally in the cost of any third appraiser selected under this clause. The appraised market value of the property shall not be increased or decreased by reason of its location in or near a candidate site.
- (3) The commissioner shall purchase the property at the appraised market value determined under clause (2) if:
- (a) the owner and the owner's real estate agent provide an affidavit to the commissioner that the owner has made a good faith effort to sell the property as provided in clause (1) and has been unable to sell it at the appraised market value:
- (b) the commissioner determines that the owner has marketable title to the property or that the owner has cured any defects in the title within a reasonable time as specified in the contract; and
- (c) the owner conveys the property by warranty deed in a form acceptable to the commissioner.
- (4) The owner may not assign or transfer any rights under the contract to any other person.
- (5) The contract expires and the obligations of the parties under the contract cease when the board makes a final decision under section 115A.28, except that a contract for purchase of property located outside the boundary of a site and buffer area selected under section 115A.28 expires two years after the selection of the site.

The commissioner may require other terms consistent with the purposes of this section if the commissioner deems them necessary to protect the interests of the owner and of the state.

- Subd. 4. [NO COMMISSION IF PROPERTY SOLD TO STATE.] A real estate agent may not receive a commission or any other compensation from an owner of property which is subject to a contract under subdivision 3 if the property is purchased by the state under that contract. Any term of a contract between a real estate agent and a property owner contrary to the provisions of this subdivision is void and unenforceable.
- Subd. 5. [ADMINISTRATION.] The commissioner of administration is authorized to perform acts necessary to enter and enforce contracts to purchase real property as provided in this section, including selecting and contracting with appraisers. Money required to enter and enforce the contracts and to purchase the property is appropriated to the commissioner of administration from the waste management fund.
- Subd. 6. [DISPOSITION OF PROPERTY.] The commissioner of administration shall retain any property acquired under this section in state ownership until the board makes a final decision under section 115A.18. After a final decision under section 115A.28, the commissioner shall sell all property located in the area of any site eliminated from further consideration as a candidate site and all property in the area of a final site selected by the board that is not needed for the site or buffer area unless the commissioner determines that temporary retention of the property would best protect the interests of the state. The property shall be sold in the manner required under sections 94.10 to 94.16, except that the commissioner shall not make any separate offer to sell the property to any political subdivision before offering it for public sale, and the proceeds of the sale shall be deposited in the waste management fund. Money required to pay the expenses of selling the property is appropriated to the commissioner from the waste management fund.

The commissioner may lease out or rent out property acquired under this section for any use that is consistent with the development limitations under section 115A.21, subdivision 3, until it is sold or is needed for use as a facility site or buffer area. Proceeds of any lease or rental shall be deposited in the waste management fund. The commissioner may insure the state against loss to the property by fire, lightning, windstorm, tornado, flood, or hail, in the amount determined by the commissioner, using any insurance company licensed to do business in the state. Money required to pay the insurance premiums is appropriated to the commissioner from the waste management fund.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 115A.08, subdivision 5, is amended to read:
- Subd. 5. [REPORT ON MITIGATION OF LOCAL EFFECTS OF HAZ-ARDOUS WASTE FACILITIES.] With the report required by subdivision 4, The board through its chairperson shall issue a report and make recommendations on methods of mitigating and compensating for the local risks, costs, and other adverse effects of various types of hazardous waste facilities and on methods of financing mitigation and compensation measures. The methods of mitigating and compensating to be considered shall must include but not be limited to the following: payment outside of levy limitations in lieu of taxes for all property taken off the tax rolls; preference in reviews of applications for federal funds conducted by the metropolitan council and regional development commissions; payment of all costs to service the facilities in-

cluding the cost of roads, monitoring, inspection, enforcement, police and fire, and litter clean up costs; payment for buffer zone amenities and improvement; local control over buffer zone design; a guarantee against any and all liability that may occur. The recommendations on processing facilities must be made with the report required by subdivision 4. The recommendations on disposal facilities must be made with the report required by section 6.

- Sec. 6. Minnesota Statutes 1982, section 115A.08, is amended by adding a subdivision to read:
- Subd. 5b. [REPORT ON NEED AND FEASIBILITY OF HAZARDOUS WASTE DISPOSAL FACILITIES.] The board shall issue a report on the estimate of need and the feasibility analysis required by section 115A.24 prior to holding a hearing under section 115A.27.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 115A.11, is amended to read:

115A.11 [HAZARDOUS WASTE MANAGEMENT PLAN.]

Subdivision 1. [CONTENTS REQUIREMENT.] The board shall adopt, amend if appropriate, and implement a hazardous waste management plan.

- Subd. 1a. [POLICY.] In developing and implementing the plan, the highest priority of the board shall must be placed upon alternatives to land disposal of hazardous wastes including: technologies to modify industrial processes or introduce new processes which will reduce or eliminate hazardous waste generation; recycling, re-use, and recovery methods to reduce or eliminate hazardous waste disposal; and conversion and treatment technologies to reduce the degree of environmental risk from hazardous waste. The board shall also consider technologies for retrievable storage of hazardous wastes for later recycling, re-use, recovery, conversion, or treatment.
- Subd. 1b. [CONTENTS.] The plan shall must include at least the following elements prescribed in this subdivision:
- (a) an The plan must estimate of the types and volumes quantities of hazardous waste which that will be generated in the state through the year 2000;
- (b) The plan must set out specific and quantifiable objectives for reducing to the greatest feasible and prudent extent the need for and practice use of disposal facilities located within the state, through waste reduction, pretreatment, retrievable storage, processing, and resource recovery.
- (c) a description of The plan must estimate the minimum disposal capacity and capability needed to be developed within the state for use required by generators in the state through the year 2000. The estimate must be based on the achievement of the objectives under clause paragraph (b).
- (d) a description of The plan must describe and recommend the necessary implementation strategies required to develop the needed assure availability of disposal capacity for the types and quantities of waste estimated under clause paragraph (c) and to achieve the objectives under clause in paragraph (b), including. The recommendations must address at least the following: the necessary private and government actions; the types of facilities and programs required; the availability and use of specific facilities outside of the

state; development schedules for facilities, services, and regulations rules that should be established in the state; revenue-raising and financing measures; levels of public and private effort and expenditure; legal and institutional changes; and other similar matters.

- (e) The plan shall must provide for the orderly development of hazardous waste management sites and facilities to protect the health and safety of rural and urban communities. In preparing the plan the board shall consider its impact upon agriculture and natural resources.
- (f) The plan shall require the establishment in the state of at least one commercial retrievable storage or disposal facility and shall recommend and encourage must include methods and procedures that will insure encourage the establishment of at least one facility programs, services, and facilities that the board recommends for development in the state for the recycling, re-use, recovery, conversion, treatment, destruction, transfer, or storage, retrievable storage, or disposal of hazardous waste.
- (g) The plan must be consistent with the estimate of need and feasibility analysis prepared under section 115A.24, the analysis provided in the phase I environmental impact statement determined to be adequate under section 115A.25, subdivision Ia, and the decisions made by the board under sections 115A.28 and 115A.291.
- (h) The board may make the implementation of elements of the plan contingent on actions of the legislature which have been recommended in the draft plan and certification of need and considered in the reports submitted pursuant to section 115A.08.
- Subd. 2. [PROCEDURE.] The plan shall be based upon the reports prepared pursuant to section 115A.08. The plan, the certificate of need issued under section 115A.24, and the procedures for hearings on the draft plan and draft certificate of need, shall are not be subject to the rule-making or contested case provisions of chapter 14. Before revising the draft plan prepared under subdivision 3 or amending its adopted plan, the board shall provide notice and hold a public hearing in a manner consistent with the procedure followed by the board in the hearings on the draft plan, as provided in subdivision 3 and approved by the legislative commission.
- Subd. 3. [PREPARATION OF DRAFT PLAN.] By July 1, 1983, the chairman chairperson of the board shall report to the legislative commission on waste management about the hearing to be held pursuant to this subdivision. The chairman chairperson shall describe the board's plans and procedures for the hearing, the provisions for encouraging public participation in the hearing, and the board's plans for preparing the required report to the legislature fully and accurately summarizing the results of the hearing, the objections raised to the board's draft plan and certification, and the board's response to the testimony received. The legislative commission shall hold a hearing to receive public comment on the board's proposed hearing procedures and thereafter shall make any recommendations it deems appropriate for changes in the board's procedures. By November 1, 1983, the board through its chairperson shall issue a draft hazardous waste management plan proposed for adoption pursuant to this section, and a draft certificate or certificates of need proposed for issuance under section 115A.24. The draft plan and certificates must include an explanation of the basis of the findings, con-

clusions, and recommendations contained therein. The board shall hold a public hearing on the draft plan and draft certificate or certificates of need within 30 days of their its issuance. Notices of the draft plan and the draft certificate or certificates and notice of the hearing shall must be published in the state register and newspapers of general circulation in the state. The notices must indicate how copies of the draft plan and draft certificate or certificates of need may be obtained. The board shall make the draft plan and draft certificate or certificates of need available for public review and comment at least 21 days before the hearing. The hearing shall must be ordered by the chairperson of the board and shall must be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings in the time allowed by this section. The hearing officer shall may not issue a report but shall preside at the hearing to ensure that the hearing is conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall attend the hearing. In connection with the hearing, the chairperson of the board shall provide copies of the studies and reports on which the draft plan and certification of need are is based and shall present an explanation of the basis of the findings, conclusions, and recommendations in the draft plan and certification of need.

Within 15 days following the hearing the director of the agency shall issue a hazardous waste pollution control report. The report must be submitted to the legislative commission. The report must be based on existing and proposed federal and state pollution control rules and available information and expertise on the character, nature, and degree of hazard of the types and categories of hazardous waste identified in the plan. The report must:

- (a) assess the pollution control problems and risks associated with each type and category of hazardous waste identified by the draft certification of need plan as eligible for disposal, before or after pretreatment, at a facility or facilities of the type and design selected by the board, and identify design and pretreatment alternatives or other methods for dealing with those problems and risks;
- (b) identify at least one specific alternative technology for dealing with each waste which the report recommends should not be eertified accepted for disposal, and assess the pollution control problems and risks associated with the alternatives:
- (c) assess the pollution control problems and risks associated with each standard and criteria contained in the plan and certification for determining the eligibility or ineligibility of waste for disposal;
- (d) assess the pollution control programs and risks associated with the processing and other alternatives to disposal which are recommended in the plan for specific types or categories of hazardous waste, and identify methods for dealing with those problems and risks.

Within 30 days following the hearing, the board shall revise the draft plan and the draft certificate or certificates of need as it deems appropriate, shall make a written response to the testimony received at the hearing and to the agency's report explaining its disposition of any recommendations made with respect to the plan and certification, and shall submit to the legislative commission the revised draft plan and certification of need, together with a

report on the testimony received, the board's response, and the results of the hearing process.

Sec. 8. [115A.152] [TECHNICAL AND RESEARCH ASSISTANCE TO GENERATORS.]

Subdivision 1. [PURPOSES.] The board shall provide for the establishment of a technical and research assistance program for generators of hazardous waste in the state. The program must be designed to assist the generators in the state to obtain information about management of hazardous wastes, to identify and apply methods of reducing the generation of hazardous wastes, to facilitate improved management of hazardous waste and compliance with hazardous waste regulations, and for other similar purposes. The program must emphasize assistance to smaller businesses that have inadequate technical and financial resources for obtaining information, assessing waste management methods, and developing and applying waste reduction techniques. Information and techniques developed under this program must be made available through the program to all generators in the state.

- Subd. 2. [ASSISTANCE.] The assistance program must include at least the following elements:
- (1) outreach programs including on-site consultation at locations where hazardous waste is generated, seminars, workshops, training programs, and other similar activities designed to assist generators to evaluate their hazardous waste generation and management practices, identify opportunities for waste reduction and improved management, and identify subjects that require additional information and research;
- (2) a program to assemble, catalog, and disseminate information about hazardous waste reduction and management methods, available commercial waste management facilities and consultant services, and regulatory programs;
- (3) evaluation and interpretation of information needed by generators to improve their management of hazardous waste;
- (4) informational and technical research to identify alternative technical solutions that can be applied by specific generators to reduce the generation of hazardous waste.
- Subd. 3. [ADMINISTRATION; EVALUATION.] The assistance program must be coordinated with other public and private programs that provide management and technical assistance to small businesses including programs operated by public and private educational institutions. The board may make grants to a public or private person or association to establish and operate the elements of the program required under this section. A grantee may not charge generators for this program. The board must require the grantees to provide periodic reports on the improvements in waste management, waste reduction, and regulatory compliance achieved by generators through the assistance provided.

Sec. 9. [115A.154] [WASTE REDUCTION GRANTS.]

Subdivision 1. [PROPOSALS AND GRANTS.] The board may make grants to generators of hazardous waste in the state for studies to determine

the feasibility of applying specific methods and technologies to reduce the generation of hazardous waste. Grants may be awarded only on the basis of proposals submitted to the board by generators. The board shall determine and select the proposals that offer the greatest opportunity to significantly reduce the hazardous waste generated by the proposing generator and, if applied generally, to significantly reduce the hazardous waste generated in the state. The significance of waste reduction may be measured by the volume of hazardous waste that is eliminated or by the reduction in risk to public health and safety and the environment that is achieved by the waste reduction. In awarding grants, the board may consider the extent of financial and technical support that will be available from other sources to make the study. The board may adopt additional criteria for awarding grants consistent with the purposes of this section.

Subd. 2. [LIMITATIONS.] The waste reduction information and techniques developed using grants awarded under this section must be made available to all generators in the state through the technical and research program. Grant money awarded under this section may not be spent for capital improvements or equipment.

Sec. 10. [115A.156] [WASTE PROCESSING AND COLLECTION FACILITIES AND SERVICES; DEVELOPMENT GRANTS.]

Subdivision 1. [PURPOSE.] The board may make grants to determine the feasibility and method of developing and operating specific types of commercial facilities and services for collecting and processing hazardous waste, including integrated facilities designed for both processing and disposal of hazardous waste. Grants may be made for:

- (1) market assessment, including generator surveys;
- (2) conceptual design and preliminary engineering;
- (3) financial and business planning necessary to address sources of funding, financial security, liability, pricing structure, and similar matters to develop and affecting development and operation of a facility or service;
- (4) environmental impact and site analysis, preparation of permit applications, and environmental and permit reviews;
- (5) analysis of methods to eliminate identified technical, institutional, legal, regulatory, market, or other problems in developing or operating a facility or service; and
- (6) analysis of other factors affecting development, operation, and use of a facility or service.
- Subd. 2. [ELIGIBILITY.] Any person proposing to develop and operate specific collection and processing facilities or services to serve generators in the state is eligible for a grant under this section. The board may give preference to studies proposed by associations of two or more generators in the state proposing to develop and operate commercial facilities or services capable of collecting or processing their hazardous wastes.
- Subd. 3. [PROCEDURE FOR AWARDING GRANTS.] The board may establish procedures for awarding grants under this section. The procedures for awarding grants must include consideration of the following factors:

- (1) the need to provide collection and processing for a variety of types of hazardous wastes;
- (2) the extent that a proposed facility or service would provide a significant amount of processing or collection capacity for waste generated in the state, measured by the volume of waste to be addressed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;
- (3) the availability of a facility or service to the generators needing the service in the area to be served;
- (4) the extent that a proposed facility or service would accomplish the policies and objectives of the hazardous waste management plan;
- (5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection or processing facilities or services;
 - (6) the need for assistance from the board to accomplish the work;
- (7) the extent that the proposal would produce and analyze new information; and
- (8) other factors established by the board consistent with the purposes of this section.

The board may adopt temporary rules under sections 14.29 to 14.36 to implement the grant program under this section. Any temporary rules adopted by the board shall remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

- Subd. 4. [LIMITATIONS.] Grants under this section are limited to \$50,000 per study. The board may award grants for more than one study for a single proposed facility or service if the board finds that results of previous studies justify additional work on other aspects of the development and operation of the facility or service. Grant money awarded under this section may not be spent for capital improvements or equipment.
- Subd. 5. [MATCHING FUNDS REQUIRED.] A recipient other than an association of generators must agree as a condition of receiving a grant under this section to provide at least 50 percent of the cost of the study from the funds of the recipient. An association of generators must agree to provide at least 20 percent of the cost of the study from the funds of the association or its members.
- Sec. 11. [115A.158] [DEVELOPMENT OF PROCESSING AND COL-LECTION FACILITIES AND SERVICES; REQUESTS FOR PROPOS-ALS.]
- Subdivision 1. [REQUEST BY BOARD; CONTENTS OF PROPOSAL.]
 (a) The board through its chairperson shall request proposals for the development and operation of specific types of commercial hazardous waste processing and collection facilities and services, including integrated facilities designed for both processing and disposal of hazardous waste, that offer the greatest possibility of achieving the policies and objectives of the waste management plan including the goal of reducing to the greatest extent feas-

ible and prudent the need for and practice of disposal. The proposals must contain at least the following information:

- (1) the technical, managerial, and financial qualifications and experience of the proposer in developing and operating facilities and services of the type proposed;
- (2) the technical specifications of the proposed facility or service including the process that will be used, the amount and types of hazardous waste that can be handled, the types, volume, and proposed disposition of residuals, and a description of anticipated adverse environmental effects;
- (3) the requirements of the site needed to develop and operate the facility or service and the likelihood that a suitable site will be available for the facility or service;
- (4) projections of the costs and revenues of the facility or service, the types and numbers of generators who will use it, and the fee structure and estimated user charges necessary to make the facility or services economically viable:
- (5) the schedule for developing and commencing operation of the facility or service; and
- (6) the financial, technical, institutional, legal, regulatory, and other constraints that may hinder or prevent the development or operation of the facility or service and the actions that could be taken by state and local governments or by the private sector to overcome those constraints.
- (b) The information provided in the proposal must be based on current and projected market conditions, hazardous waste streams, legal and institutional arrangements, and other circumstances specific to the state.
- Subd. 2. [PROCEDURE; EVALUATION; REPORT.] (a) In requesting proposals, the board shall inform potential developers of the assistance available to them in siting and establishing hazardous waste processing and collection facilities and services in the state including the availability of sites listed on the board's inventory of preferred areas for hazardous waste processing facilities, the authority of the board to acquire sites and order the establishment of facilities in those areas, the policies and objectives of the hazardous waste management plan, and the availability of information developed by the board on hazardous waste generation and management in the state.
- (b) The board shall evaluate the proposals received from the request and determine the qualifications of the developers, the technical and economic feasibility of the proposed facility or service, and the extent that the proposed facility or service will contribute in a significant way to the achievement of the policies and objectives of the hazardous waste management plan.
- (c) The board shall report to the legislative commission on the proposals that it has received and evaluated, and on the legislative, regulatory, and other actions needed to develop and operate the proposed facilities or services.
- Subd. 3. [TIME FOR PROPOSALS.] The board shall issue the first round of requests under this section by June 1, 1984. The first round proposals must

be returned to the board by November 1, 1984. The board shall submit its report on these proposals to the legislative commission by January 1, 1985. The board may issue additional requests in 1985 and in future years.

Sec. 12. [115A.16] [EVALUATION OF PROGRAMS; REPORT.]

By November 1, 1986, the board shall evaluate the extent that the programs provided in sections 8 to 11 have contributed to achievement of the policies and objectives of the hazardous waste management plan. The evaluation must consider the amount of waste reduction achieved by generators through the technical and research assistance and waste reduction grant programs and the progress in reducing the need for and practice of disposal achieved through the development grants and the request for proposal program. The board shall report the results of its evaluation to the legislative commission with its recommendations for further action.

Sec. 13. [115A.165] [HAZARDOUS WASTE PROCESSING FACILITY LOANS.]

- (a) The board shall review applications for hazardous waste processing facility loans received by the economic development authority and forwarded to the board under section 58. The board may certify a loan application only if it determines that:
- (1) the applicant has demonstrated that the proposed facility is technically feasible;
- (2) the applicant has made a reasonable assessment of the market for the services offered by the proposed facility;
- (3) the applicant has agreed to provide funds for the proposed facility in an amount equal to at least 25 percent of the capital cost of the facility excluding land acquisiton cost;
- (4) the applicant has agreed to pay the cost of any land acquisition necessary to develop the facility; and
- (5) the facility will contribute in a significant way to achievement of the policies and objectives of the hazardous waste management plan and, in particular, to reduce the need for and practice of hazardous waste disposal.
- (b) As a condition of its certification the board may require an applicant to agree to provide funds in excess of 25 percent of the capital cost of the facility in addition to any land acquisition costs. In certifying an application or in determining the share of the capital costs that will be provided by the loan, the board may consider the types and volumes of hazardous waste that will be handled by the facility, the number of generators served by the facility, and the extent to which the facility serves the need of smaller businesses that generate hazardous waste. The board may establish additional criteria for certifying loan applications consistent with the provisions of this section.
 - Sec. 14. Minnesota Statutes 1982, section 115A.18, is amended to read:

115A.18 [LEGISLATIVE FINDINGS; PURPOSE.]

The legislature finds that proper management of hazardous waste generated in the state is needed to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens, that the establish-

ment of safe commercial disposal facilities is in the state may be necessary and practicable to properly manage the waste, that this cannot be accomplished solely by the activities of private persons and political subdivisions acting alone or jointly, and that therefore it is necessary to provide a procedure for making final determinations on whether commercial disposal facilities should be established in the state and on the locations, sizes, types, and functions of any such facilities.

Sec. 15. Minnesota Statutes 1983 Supplement, section 115A.21, subdivision 1, is amended to read:

Subdivision 1. [SELECTION.] The board shall select at least four locations more than one location in the state, no but not more than one site per county, as candidate sites for commercial disposal facilities for hazardous waste. Candidate sites selected by the board before February 1, 1983, and additional eandidate sites selected pursuant to this section, must be reviewed pursuant to sections 115A.22 to 115A.30. No location shall be selected as a candidate site unless the agency certifies its intrinsic suitability for the use intended pursuant to subdivision 2a.

- Sec. 16. Minnesota Statutes 1982, section 115A.21, is amended by adding a subdivision to read:
- Subd. 1a. [VOLUNTEER CANDIDATE SITES.] (a) In addition to sites selected under subdivision 1, the board may select candidate sites as provided in this subdivision. The board may submit a site to the agency under this subdivision if the site is proposed as a candidate site by a facility operator with the approval of the owners of the site and the governing bodies of the county and municipality in which the site is located. The board may select the site as a candidate site if the agency determines and certifies that the site is intrinsically suitable for the use intended. The director of the agency shall identify the information needed by the agency to make a determination of intrinsic suitability. The board shall obtain the necessary information and provide it to the agency.
- (b) The director of the agency shall make a recommendation to the agency board on intrinsic suitability within 30 days after receiving the information from the board. The agency board shall make the determination on intrinsic suitability not later than the first regular meeting of the agency board held at least ten days after the director's recommendation.
- (c) The decisions of the board and the agency under this subdivision are not subject to the contested case or rulemaking provisions of chapter 14, or the procedures provided in subdivision 2a.
- Sec. 17. Minnesota Statutes 1983 Supplement, section 115A.22, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] In order systematically to involve those who would be affected most directly by disposal facilities in all decisions leading to their establishment, the board's decisions on reports referred to in subdivision 7, the plan adopted under section 115A.11, and the certification of need estimates and analysis required under section 115A.24 shall not be made until after the establishment of local project review committees for each candidate site, with representation on the board, pursuant to this section.

- Sec. 18. Minnesota Statutes 1983 Supplement, section 115A.22, subdivision 4, is amended to read:
- Subd. 4. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] Within 30 days following the appointment of a local project review committee, the local committee shall select a temporary board member to be added to the board for the purposes of the reports to be issued under section 115A.08, the plan to be adopted under section 115A.11, and the need eertifications estimates, the analysis and the review of candidate sites conducted under sections 115A.18 to 115A.30. Temporary board members shall not participate or vote in decisions affecting the selection and certification of sites under sections 115A.201 and 115A.21. If a local committee fails to appoint a temporary board member within the time permitted by this subdivision, the governor shall appoint a temporary board member to represent the committee on the board. Temporary board members may be members of the local project review committee, and they shall be residents of the county where the candidate site is located. Temporary board members shall serve for terms lasting as long as the location the member represents is a candidate site or, in the case of members representing the a site or sites finally chosen for the facility, until the commencement of the operation of the facility at that site.
- Sec. 19. Minnesota Statutes 1983 Supplement, section 115A.24, is amended to read:
- 115A.24 [CERTIFICATION OF NEED DISPOSAL FACILITIES; ESTI-MATE OF NEED; ANALYSIS OF ECONOMIC FEASIBILITY.]

Subdivision 1. [CERTIFICATE ESTIMATE OF NEED FOR DISPOSAL FACILITIES.] On the basis of and consistent with its hazardous waste management plan adopted under section 115A.11. The board shall issue a certificate or certificates of need for disposal facilities for hazardous wastes in the state. The certificate or certificates shall indicate the types and volumes of waste for which disposal facilities are and will be needed through the year 2000 and The board shall develop an estimate of the number, types, capacity, and function or use of the any hazardous waste disposal facilities needed in the state. Before finally adopting the certificate of need the board shall submit it to the agency for a revision of the hazardous waste pollution control report required under section 115A.11, subdivision 2.

In developing its estimate the board shall:

- (1) prepare a preliminary estimate of the types and quantities of waste generated in the state that will need disposal through the year 2000;
- (2) estimate the disposal capacity located outside of the state, considering the status of facility permits, current and planned capacity, and prospective restrictions on expansion of capacity;
- (3) estimate the continued availability of capacity outside of the state for disposal of waste generated in the state;
- (4) estimate the types and quantities of waste likely to be generated as residuals of the commercial hazardous waste processing facilities recommended by the board for development in the state, considering the likely users of the facilities; and

(5) compare the indirect costs and benefits of developing disposal facilities in the state and relying on facilities outside the state to dispose of hazardous waste generated in the state, considering the effects on business, employment, economic development, public health and safety, the environment, and the development of collection and processing facilities and services in the state.

The board shall certify need In preparing the estimate the board may identify need for disposal only to the extent that the board has determined that there are no feasible and prudent alternatives, including waste reduction, separation, pretreatment, processing, and resource recovery, which would minimize adverse impact upon air, water, land and all other natural resources, provided that the board shall require the establishment of at least one eommercial disposal facility in the state. Economic considerations alone shall may not justify eertification nor an estimate of need for disposal or the rejection of alternatives. Alternatives that are speculative and conjectural shall are not be deemed to be feasible and prudent. The board shall consider all technologies being developed in other countries as well as in the United States when it considers the alternatives to hazardous waste disposal. The certificate or certificates shall not be subject to the provisions of chapter 14 but shall be the final determination required on the matters decided by the certificate or certificates and shall have the force and effect of law. The certificate or certificates shall not be amended for five years except as provided in section 115A.291. In reviewing and selecting sites, completing and determining the adequacy of environmental impact statements, and issuing approvals and permits for waste disposal facilities described in the certificate or certificates of need, matters determined in the certification shall not be reconsidered except as otherwise provided in section 115A.291. The board and the permitting agencies shall be required to make a final decision approving the establishment of facilities consistent with the certification except as otherwise provided in section 115A.291.

- Subd. 3. [RADIOACTIVE WASTE.] The board's eertificate estimate of need shall not allow the use of a facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.
- Subd. 4. [ECONOMIC FEASIBILITY ANALYSIS.] The board shall prepare an economic feasibility analysis for disposal facilities of the type, capacity and function or use estimated by the board to be needed in the state under subdivision 1. The analysis must be specific to the sites where the facilities are proposed to be located. The analysis must include at least the following elements:
- (1) an estimate of the capital, operating, and other direct costs of the facilities and the fee schedules and user charges necessary to make the facilities economically viable;
- (2) an assessment of the other costs of using the disposal facilities, such as transportation costs and disposal surcharges;
- (3) an assessment of the market for the facility for waste generated in the state that identifies the generators that would use the facility under existing and likely future market conditions, describes the methods otherwise available to those generators to manage their wastes and the costs of using those methods, and establishes the level at which the cost of using the proposed facilities would be competitive with the cost of using other available methods

of waste management; and

- (4) an estimate of any subsidy needed to make the facility competitive for Minnesota generators under existing market conditions and the changes in market conditions that would increase or lower the subsidy.
- Sec. 20. Minnesota Statutes 1983 Supplement, section 115A.241, is amended to read:

115A.241 [PARTICIPATION BY FACILITY DEVELOPERS AND OPERATORS.]

The board shall solicit the participation of private developers and operators of waste facilities in the evaluation of hazardous waste disposal sites and facility specifications. To qualify for consideration as a developer or operator, a person shall submit a letter The board shall request developers and operators to submit letters of intent to participate in evaluating sites, economic feasibility of disposal facilities, and facility specifications. The letters must be submitted to the board within 90 days following the publication of the board's draft plan pursuant to section 115A.08, subdivision 4 by September 1, 1984. To qualify for selection as a developer or operator, a person shall submit operability reports to the board at least 60 days before the board's hearings under section 115A.27, and shall submit an amended report within 60 days following the decisions under section 115A.28. The letters of intent and reports shall be in the form and contain the information deemed appropriate by the board.

Sec. 21. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1, is amended to read:

Subdivision 1. [ENVIRONMENTAL IMPACT STATEMENT.] A phased environmental impact statement shall must be completed by the board and the agency before any permits are issued under section 115A.291. The statement must be prepared and reviewed in accordance with chapter 116D and the rules issued pursuant thereto, except as otherwise required by this section and sections 115A.11; 115A.24, 115A.28, and 115A.30. The board and agency shall follow the procedures in subdivisions 2 and 3 in lieu of the scoping requirements of chapter 116D and rules issued pursuant thereto. The statement shall must be completed in two phases as provided in subdivisions 1a and 1b.

Sec. 22. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1a, is amended to read:

Subd. 1a. [PHASE I.] Phase I of the statement shall must be completed by the board on the environmental effects of the board's decision on sites and facility specifications decisions that the board is required to make under section 115A.28. Phase I of the statement shall must not address or reconsider alternative sites or facility numbers, types, capacity, function, and use which alternatives that have been eliminated from consideration by the board's decisions under sections 115A.201 and 115A.21 and 115A.24. The determination of the adequacy of phase I of the statement is exclusively the authority of the board. The governor shall establish an interagency advisory group to comment on the scope of phase I of the statement, to review drafts, and to provide technical assistance in the preparation and review of phase I of the statement. The advisory group shall must include representatives of the

agency, the departments of natural resources, health, agriculture, energy, planning and development, and transportation, and the Minnesota geological survey. In order to obtain the staff assistance necessary to prepare the statement, the chairperson of the board may request reassignment of personnel pursuant to section 16.21 and may arrange to have other agencies prepare parts of the statement pursuant to section 16.135.

Sec. 23. Minnesota Statutes 1983 Supplement, section 115A.25, subdivision 1b, is amended to read:

Subd. 1b. [PHASE II.] Phase II of the statement shall must be completed by the agency as a supplement to phase I specifically for the purpose of examining the environmental effects of the any permitting decisions that may be required to be made by the permitting agencies under section 115A.291. In preparing, reviewing, and determining the adequacy of phase II of the statement, the agency shall not repeat or duplicate the research and analysis contained in phase I of the statement, unless the agency determines that the information available is not adequate or that additional information is necessary to examine the environmental effects of the permitting decisions. Phase II of the statement shall may not address or reconsider alternative sites and facility numbers, types, capacity, function, and use which alternatives that have been eliminated from consideration by the board's decisions under sections 115A.201, 115A.21, 115A.24, and 115A.28. The determination of adequacy of phase II of the statement must be made by the agency within 180 days following submission of the preliminary permit application or applications under section 115A.291. The determination of the adequacy of phase II of the statement is exclusively the authority of the agency.

Sec. 24. Minnesota Statutes 1983 Supplement, section 115A.26, is amended to read:

115A.26 [AGENCIES; REPORT ON PERMIT CONDITIONS AND APPLICATION REQUIREMENTS.]

Within 30 days following the board's determination of the adequacy of phase I of the environmental impact statement, and after consulting with the board, facility developers, affected local government units, and the local project review committees, the chief executive officer of each permitting state agency shall issue to the board draft reports on permit conditions and permit application requirements at each candidate site. The reports must indicate, to the extent possible based on existing information, the probable terms, conditions, and requirements of permits, including the types and categories of waste eligible for disposal with or without pretreatment, and the probable supplementary documentation that will be required for phase II of the environmental impact statement under section 115A.25 and for permit applications under section 115A.291. The reports may be revised following the hearings under section 115A.27 as the chief executive officer deems necessary. The reports must be consistent with the establishment of facilities in accordance with the certification of need.

Sec. 25. Minnesota Statutes 1983 Supplement, section 115A.27, subdivision 2, is amended to read:

Subd. 2. [BOARD HEARINGS.] Within 120 days following the board's determination of the adequacy of phase I of the environmental impact state-

ment under section 115A.25, the board shall conduct a hearing in each county containing a candidate site, for the purpose of receiving testimony on the decisions required under section 115A.28. The hearings shall must be ordered by the chairperson of the board. The subject of the board hearing shall may not extend to matters previously decided in the board's decision on sites under section sections 115A.201 and 115A.21 and the certificate of need issued under section 115A.24. The record of the hearings must include the estimate of need for disposal facilities and the economic feasibility analysis prepared under section 115A.24, the phase I environmental impact statement, and the reports on permit conditions issued under section 115A.26. The hearing shall must be conducted for the board by the state office of administrative hearings in a manner consistent with the completion of the proceedings in the time allowed. The proceedings and the hearing procedures are not subject to the rule-making or contested case provisions of chapter 14. The hearing officer shall may not issue a report but shall preside at the hearings to ensure that the hearings are conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall be present at the hearing.

Sec. 26. Minnesota Statutes 1983 Supplement, section 115A.28, subdivision 1, is amended to read:

Subdivision 1. [DECISION OF BOARD.] Within 60 days following the conclusion of the hearings under section 115A.27, subdivision 2, and after consulting with private facility developers, the permitting agencies, affected local government units, and the local project review committees, the board shall finally select the a site or sites for the facilities and the developer and operator of the facility and shall prescribe further specifications on and specify the number, type, capacity, function, and use of the any facilities as the board deems appropriate, consistent with the board's certification of need issued under section 115A.24 to be established under sections 115A.18 to 115A.30. If the chairperson of the board determines that an agency report on permit conditions and application requirements has been substantially revised following hearings held pursuant to section 115A.27, subdivision 2, the chairperson may delay the decision for 30 days and may order a public hearing to receive further testimony on the sites and facilities to be established. The proceeding shall must be conducted as provided in section 115A.27, subdivision 2, except that hearings shall not be separately held in the affected counties and the issues relating to all agency reports shall must be considered at one hearing. The board's decision shall provide for the establishment of facilities consistent with the board's certification of need.

Sec. 27. Minnesota Statutes 1983 Supplement, section 115A.291, is amended to read:

115A.291 [PERMITS.]

Research and analysis necessary to the permit applications and permit decisions required under this chapter, and the supporting environmental study, must commence immediately following the board's decision under section 115A.28 to apply for permits under this section. Within 180 days following its final decision decisions under section 115A.28, the board shall conclude its analysis of the financial requirements for the facility and shall decide

whether to submit, or cause to be submitted by a developer and operator selected by the board, a preliminary application for permits for a facility or facilities consistent with its decision under section 115A.28. Following review by the permitting agencies and within 60 days following the agency's determination of the adequacy of phase II of the environmental impact statement, the board shall revise the application, or cause it to be revised, in accordance with the recommendations of the permitting agencies. In preparing its revised permit application, the board may amend its certification of need issued under section 115A.24 or its facility specifications under section 115A.28, if the board finds and determines, based upon the recommendations of the permitting agencies, that: (a) the amendments are necessary to secure permits for the construction and operation of the proposed facility at the proposed site, and (b) the recommendations and amendments are the result of new information or rules produced after the board's decisions under sections 115A.24 and section 115A.28. Within 210 days following the submission of the revised permit application, the permitting agencies shall issue the necessary permits unless the pollution control agency determines that the facility or facilities proposed for permitting present environmental problems which cannot be addressed through the imposition of permit conditions. The permits may not allow the use of the facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.

Sec. 28. Minnesota Statutes 1982, section 115A.42, is amended to read:

115A.42 [ESTABLISHMENT AND ADMINISTRATION.]

There is established a planning assistance program to provide technical and financial assistance to political subdivisions of the state for the purposes of encouraging and improving regional and local solid waste management and abatement planning activities and efforts and of furthering the state policies and purposes expressed in section 115A.02. The program shall be administered by the agency pursuant to rules promulgated under chapter 14, except in the metropolitan area where the program shall be administered by the metropolitan council pursuant to chapter 473. The agency and the metropolitan council shall ensure conformance with federal requirements and programs established pursuant to the Resource Conservation and Recovery Act of 1976 and amendments thereto.

Sec. 29. Minnesota Statutes 1982, section 115A.46, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Plans shall address the state policies and purposes expressed in section 115A.02. Plans for the location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. Plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. Plans shall address the establishment of joint powers management programs or waste management districts where appropriate. Plans proposing a designation of resource recovery facilities pursuant to sections 115A.70 and 400.162 shall be submitted to the waste management board for review and approval or disapproval. The review shall be based on whether the plans conform to the requirements of this section. The board may require revision of a plan as a condition of its approval. Plans shall

address other matters as the rules of the agency may require consistent with the purposes of sections 115A.42 to 115A.46. Political subdivisions preparing plans under sections 115A.42 to 115A.46 shall consult with persons presently providing solid waste collection, processing, and disposal services. Plans prepared by local units of government in the metropolitan area shall conform to the requirements of chapter 473 shall be approved by the agency, or by the metropolitan council if prepared by a political subdivision within the metropolitan area.

Sec. 30. Minnesota Statutes 1982, section 115A.46, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. The plans shall contain an assessment of opportunities to reduce the need for land disposal through waste reduction and resource recovery, the alternative degrees of reduction achievable, and a comparison require the most feasible and prudent reduction of the need for and practice of land disposal of mixed municipal solid waste. The plans shall address waste reduction, waste separation, and resource recovery, and shall include immediate objectives for specified time periods for reducing the land disposal of mixed municipal solid waste. The plans shall describe specific functions to be performed and activities to be undertaken to achieve the abatement objectives and shall describe the estimated cost, the proposed manner of financing, and the timing of the functions and activities. The plans shall include an estimate of the costs of alternatives the functions to be performed and the activities to be undertaken. including capital and operating costs, and the effects of the alternatives on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans may include alternatives that could be used to achieve the abatement objectives if the proposed functions are not performed and the proposed activities are not undertaken. The plans shall describe how waste will be reduced and how the public will be educated about waste abatement and resource recovery. The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures.

Sec. 31. Minnesota Statutes 1982, section 115A.57, subdivision 1, is

amended to read:

Subdivision 1. [CREATION; RECEIPTS.] The commissioner of finance shall maintain a Minnesota state waste management fund. The fund shall receive the proceeds of state bonds and other money appropriated to the fund and disburse money for the acquisition of real property and interests in real property for hazardous waste facility sites and surrounding buffer areas, as authorized by section 115A.06, subdivision 4, and section 3, and money to be granted or loaned to political subdivisions pursuant to the waste processing facility capital assistance program created by section 115A.54. The commissioner of finance and state treasurer shall deposit in the fund as received (a) all proceeds of Minnesota state waste management bonds, except accrued interest and premiums received upon the sale of the bonds; (b) all other money appropriated by law for purposes stated in sections 115A.57 to 115A.59, and (c) all money granted to the state for those purposes by the federal government or any agency thereof. All the receipts are annually appropriated for the purposes of the fund, and shall remain available until expended.

Sec. 32. Minnesota Statutes 1982, section 115A.59, is amended to read:

115A.59 [BOND AUTHORIZATION AND APPROPRIATION OF PROCEEDS.]

The commissioner of finance is authorized, upon request of the board, to sell Minnesota state waste management bonds in the amount of up to \$8,800,000 for the purpose of the waste processing facility capital assistance program under section 115A.54, and in the amount of up to \$6,200,000 for the purpose of acquiring real property and interests in real property for hazardous waste facility sites and buffer areas as authorized by section 115A.06, subdivision 4, and section 3. The bonds shall be sold in the manner and upon the conditions prescribed in section 115A.58, and in the Minnesota Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in section 115A.58, subdivision 5, are appropriated to the Minnesota state waste management fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the waste management fund equal to the aggregate amount of the loans and grants then approved and not previously disbursed, plus the amount of the loans and grants to be approved in the current and the following fiscal year, as estimated by the board.

- Sec. 33. Minnesota Statutes 1982, section 115A.70, is amended by adding a subdivision to read:
- Subd. 8. [AUTHORITY.] A waste management district possessing designation authority in its articles of incorporation may be authorized to designate a resource recovery facility under sections 34 to 44.
- Sec. 34. [115A.80] [DESIGNATION OF RESOURCE RECOVERY FACILITIES; PURPOSE.]

In order to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary pursuant to sections 34 to 44 to authorize a qualifying solid waste management district or county to designate a resource recovery facility.

Sec. 35. [115A.81] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 34 to 44.

Subd. 2. [DESIGNATION.] "Designation" means a requirement by a waste management district or county that all or a portion of the solid waste that is generated within its service area or boundaries and is deposited within the state be delivered to a resource recovery facility identified by the district or county.

Sec. 36. [115A.82] [ELIGIBILITY.]

Facilities may be designated under sections 34 to 44 by (1) a solid waste management district established under sections 115A.62 to 115A.72 and possessing designation authority in its articles of incorporation; or (2) a county, but only for waste generated outside of the boundaries of a district qualifying under clause (1) or the Western Lake Superior Sanitary District established by Laws 1971, chapter 478, as amended.

Sec. 37. [115A.83] [EXEMPTION.]

Subdivision 1. The designation may not apply to or include: (1) materials that are separated from solid waste and recovered for reuse in their original form or for use in manufacturing processes, or (2) materials that are being used at a resource recovery facility in existence at the time of designation.

- Subd. 2. [EXCLUSION OF CERTAIN MATERIALS.] (a) For purposes of subdivision 1 a facility is in existence at the time of designation if:
- (1) it is substantially completed or will be substantially completed within 18 months of the time that the designation plan is approved;
 - (2) it contracts for purchases of its product; and
- (3) the materials are or will be under contract for delivery to it at the time the other facility is completed.
- (b) In order to qualify for the exemption of materials under this subdivision, the operator or owner shall file with the reviewing authority and the district or county a written description of the facility, its intended location, its waste supply sources, purchasers of its products, its design capacity and other information that the reviewing authority and county may reasonably require.

Sec. 38. [115A.84] [DESIGNATION PLAN.]

Subdivision 1. [REQUIREMENT.] Before commencing the designation procedure under section 39, the district or county shall adopt a comprehensive solid waste management plan or, under chapter 473, a master plan. The comprehensive or master plan must include a plan for designation approved under this section.

Subd. 2. [DESIGNATION; PLAN CONTENTS.] The designation plan must evaluate (1) the benefits of the designation, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02, and (2) the estimated costs of the designation, including the direct capital, operating, and maintenance costs of the facility designated,

the indirect costs, and the long-term effects of the designation.

The designation plan must evaluate:

- (1) whether the designation will result in the recovery of resources or energy from materials which would otherwise be wasted;
- (2) whether the designation will lessen the demand for and use of land disposal;
- (3) whether the designation is necessary for the financial support of the facility; and
- (4) whether less restrictive methods for ensuring an adequate solid waste supply are available;
- (5) other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.
- Subd. 3. [PLAN APPROVAL.] A district or county planning a designation for waste generated wholly within the metropolitan area defined in section 473.121 shall submit its designation plan to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit designation plans to the waste management board for review and approval or disapproval. The reviewing authority shall review and approve or disapprove within 60 days following submission of the plan for review. The reviewing authority shall approve the designation plan if the plan satisfies the requirements of subdivision 2.

Sec. 39. [115A.85] [PROCEDURE.]

- Subdivision 1. [REQUIREMENT.] A district or county with an approved designation plan shall proceed as provided in this section when designating facilities. A district need not repeat the designation procedures in this section to the extent that the procedures have been completed by each county having territory in the district or by a joint powers board composed of each county having territory in the district.
- Subd. 2. [HEARING.] The district or county shall hold a public hearing to take testimony on the designation. Notice of the hearing must be published in a newspaper of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing and must be mailed to political subdivisions, landfill operators, and licensed solid waste collectors who may be expected to use the facility. The notification must: (1) describe the area where the designation will apply and the plans for the use of the solid waste, (2) specify the point of delivery of the solid waste, (3) estimate the types and quantities of solid waste subject to the designation, and (4) estimate the fee to be charged for the use of the facilities and for any products of the facilities. A contract for use or designation may not be invalidated because the district or county did not provide written notice to an entity listed in this subdivision.
- Subd. 3. [NEGOTIATED CONTRACTS FOR USE.] Within 90 days following the hearing, the district or county shall negotiate with the persons entitled to written notice under subdivision 2 to develop contractual agree-

ments that will require use of the facilities proposed to be designated.

Subd. 4. [DESIGNATION DECISION.] At the end of the 90-day contract negotiation period the district or county may proceed to secure approval for and implement the designation as provided in section 40.

Sec. 40. [115A.86] [IMPLEMENTATION OF DESIGNATION.]

Subdivision 1. [DESIGNATION ORDINANCE.] The district or county shall prepare a designation ordinance to implement a designation. The designation ordinance must: (1) define the geographic area and the types and quantities of solid waste subject to designation, (2) specify the points of delivery of the solid waste, (3) require that the designated solid waste be delivered to the specified points of delivery, (4) set out the procedures and principles to be followed by the county or district in establishing and amending any rates and charges at the designated facility, and (5) state any additional regulations governing waste collectors or other matters necessary to implement the designation. The designation ordinance must provide an exception for: materials otherwise subject to the designation that arrangements have been made sufficient to justify exemption under section 37, and waste otherwise subject to the designation that negotiated contractual arrangements exist that will require and effect the delivery of the waste to the facility for the term of the contract.

- Subd. 2. [APPROVAL.] If district or county designation applies wholly within the metropolitan area defined in section 473.121 the district or county shall submit its designation ordinance, together with any negotiated contracts assuring the delivery of solid waste, to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit designation ordinances, with negotiated contracts assuring the delivery of solid waste, to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and approve or disapprove within 90 days following submission of the designation for review. The reviewing authority shall approve the designation if it determines (1) that the designation procedure specified in section 39 was followed, (2) that the designation will further the state policies and purposes expressed in section 115A.02, and (3) that the designation is based upon a plan approved under section 39. The reviewing authority may attach conditions to its approval.
- Subd. 3. [IMPLEMENTATION.] The designation may be placed into effect no less than 60 days following the approval required in subdivision 2. The effective date of the designation must be specified at least 60 days in advance.
- Subd. 4. [EFFECT.] The designation is binding on all political subdivisions, landfill operators, solid waste generators, and solid waste collectors in the designation area.
- Subd. 5. [AMENDMENTS.] Amendments to a designation ordinance must be submitted to the reviewing authority for approval. The reviewing authority shall approve an amendment that is in the public interest and accomplishes state policies and purposes expressed in section 115A.02. If the reviewing authority does not act within 90 days, the amendment is approved.

An action challenging a designation must be brought before the effective date of the designation and is subject to section 562.02.

Sec. 42. [115A.88] [SERVICE GUARANTEE.]

The district or county may not arbitrarily terminate, suspend, or curtail services provided to any person required by contract or designation ordinance to use designated facilities without the consent of the person or without just cause.

Sec. 43. [115A.89] [TERMINATION.]

Use required under contract or designation ordinance may be terminated by a person upon an adequate showing to the district or county that the solid waste has value and that arrangements have been made by the person sufficient to justify exemption under section 37, unless the district or county determines that the requirement must be continued to assure delivery of waste necessary to the financial support of the designated facility.

Sec. 44. [115A.90] [SUPERVISION OF IMPLEMENTATION.]

The reviewing authority shall: (1) require regular reports on the implementation of each designation, (2) periodically evaluate whether each designation as implemented has accomplished its purposes and whether the designation is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02, and (3) report periodically to the legislature on its conclusions and recommendations.

Sec. 45. [115A.901] [CITATION.]

Sections 45 to 51 may be cited as the "Metropolitan Landfill Abatement Act."

Sec. 46. [115A.903] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 46 to 55.

- Subd. 2. [CLOSURE.] "Closure" means actions that will prevent, mitigate, or minimize the threat to public health and the environment posed by a closed facility including application of final cover; grading and seeding of final cover; installation of an adequate monitoring system, if necessary; and construction of ground and surface water diversion structures.
- Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of revenue.
- Subd. 4. [FACILITY.] "Facility" means real and personal property that is used for the disposal of solid waste on land.
- Subd. 5. [MARKET DEVELOPMENT.] "Market development" means the location and facilitation of economic markets for materials, substances, energy, or other products contained within or derived from solid waste.

Subd. 6. [OPERATOR.] "Operator" means:

- (1) in the case of a facility for the disposal of mixed municipal solid waste with an agency permit, the permittee; or
 - (2) in the case of a facility for the disposal of mixed municipal solid waste

without an agency permit, the person in control of the facility.

- Subd. 7. [POSTCLOSURE, POSTCLOSURE CARE.] "Postclosure," and "postclosure care" means actions taken for the care, maintenance, and monitoring of a facility after closure that will prevent, mitigate, or minimize the threat to public health and environment posed by the closed facility.
- Subd. 8. [RESPONSE.] "Response" has the meaning given it in section 115B.02, subdivision 18.

Sec. 47. [115A.905] [SOLID WASTE LANDFILL FEE.]

Subdivision 1. [AMOUNT.] (a) The operator of a facility that is located in the metropolitan area for the disposal of mixed municipal solid waste area shall pay a fee on solid waste accepted and disposed of on land at the facility as provided in this subdivision.

- (b) An operator shall pay a fee of 90 cents per cubic yard of waste accepted or its equivalent.
- (c) An operator who does not measure the weight or volume of waste accepted shall pay a fee based on equivalent cubic yards accepted at the facility as determined by the agency. An operator who challenges the determination of the agency shall provide written evidence to the agency to support the challenge. The agency may hold a consolidated contested case hearing on all challenges to its determinations under this subdivision. The decision of the agency shall be rendered not later than 60 days after the hearing.
- Subd. 2. [PAYMENT OF FEE.] The operator shall pay the fee due under this section for each month by the 20th day of the following month, using a form provided by the commissioner.
- Subd. 3. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075, the pollution control agency may provide the commissioner with the information necessary for the enforcement of this section. Information disclosed in a return filed under this section is public information. Information exchanged between the commissioner and the agency is public unless the information is of the type determined to be for the confidential use of the agency under section 116.075 or is trade secret information classified under section 13.37. Information obtained in the course of an audit by the commissioner is private or nonpublic data to the extent that it would not be directly divulged in a return.
- Subd. 4. [PENALTIES; ENFORCEMENT.] The audit, penalty, and enforcement provisions applicable to taxes imposed under chapter 290 apply to the fees charged under this section and shall be administered by the commissioner.
- Subd. 5. [RULES.] The commissioner may adopt rules necessary to implement the provisions of this section.
- Subd. 6. [ADMINISTRATIVE EXPENSES.] Any amount spent by the commissioner from a general fund appropriation to enforce and administer this section shall be reimbursed to the general fund. The amount necessary to make the reimbursement is appropriated from the landfill abatement fund to the commissioner for transfer to the general fund.
 - Subd. 7. [DEPOSIT OF FEES.] The fees collected under this section in-

cluding interest and penalties shall be deposited in the state treasury and credited as follows:

- (1) two-thirds shall be credited to the landfill abatement fund; and
- (2) one-third shall be credited to the landfill contingency action fund.
- Sec. 48. [115A.907] [LANDFILL ABATEMENT FUND.]
- Subdivision 1. [ESTABLISHMENT; PURPOSES.] The landfill abatement fund is created as an account in the state treasury. Interest attributable to the investment of money in the fund shall be credited to the fund. Subject to appropriation by the legislature, the money in the fund may be spent only as allocated for the following purposes:
- (1) up to ten percent for adoption and enforcement of rules and technical assistance under sections 47 to 53 and administration of grants under this section;
 - (2) up to ten percent for grants for market development under subdivision 2;
- (3) the amount not used for clauses (1) and (2), is available to the metropolitan council for solid waste planning assistance and resource recovery project grants and loans in the metropolitan area. Not more than ten percent of the amount paid to the metropolitan council may be used by the council to provide technical assistance and to administer the grants.
- Subd. 2. [MARKET DEVELOPMENT.] Grants may be made to any person for market development that will abate the need for landfill capacity within the metropolitan area.
- Subd. 3. [RESOURCE RECOVERY PROJECTS.] Grants and loans may be made to any person for resource recovery projects. The grants and loans may include the cost of planning, acquisition of land and equipment, capital improvements, and operation of a project. Grants and loans under this subdivision for acquisition of land and equipment and for capital improvements may not exceed 50 percent of the cost of the project. Grants for operation of a project may not exceed 50 percent of the annual operating costs. Operation grants may not extend beyond four years and may only be given if the project plan includes reasonable provision for operation funding for the life of the project. A grant or loan shall not be made until the metropolitan council has determined the total estimated capital cost of the project and that financing of the project is available. Loan repayments shall be credited to the landfill abatement fund. The grant and loan program under this subdivision shall be administered by the metropolitan council.
- Subd. 4. [GRANTS TO A POLITICAL SUBDIVISION; PLAN.] No grants to a political subdivision, except grants for solid waste planning assistance and market development, may be made under this section unless the political subdivision applying for the grant has completed an approved solid waste plan under section 115A.46. If the original plan was approved more than five years before, the metropolitan council may require the plan to be revised before a grant is made under this section.
- Subd. 5. [RECOMMENDATION BY LCWM.] The legislative commission on waste management shall make recommendations to the senate finance committee and house appropriations committee regarding appropria-

tions from the landfill abatement fund.

Sec. 49. [115A.909] [LANDFILL CONTINGENCY ACTION FUND.]

Subdivision 1. [ESTABLISHMENT.] The landfill contingency action fund is created as an account in the state treasury. Interest attributable to the investment of money in the fund shall be credited to the fund.

- Subd. 2. [CLOSURE AND POSTCLOSURE, RESPONSE PAY-MENTS.] All money in the fund is appropriated to the pollution control agency and may be spent only for:
- (1) response and postclosure costs relating to a facility located in the metropolitan area for the disposal of mixed municipal solid waste for which the operator is not liable under section 51, subdivision 1; and
- (2) costs of closure and postclosure care with respect to a facility located in the metropolitan area for the disposal of mixed municipal solid waste, if the agency determines that the operator or owner has failed to provide the required closure and postclosure care.

Sec. 50. [115A.911] [REPORT TO LEGISLATURE.]

Subdivision 1. [AGENCY.] By November 1 of each year starting in 1986, the director of the agency shall submit to the senate finance committee, the house appropriations committee, and the legislative commission on waste management a report detailing the activities for which money from the contingency action fund has been spent during the previous fiscal year.

Subd. 2. [METROPOLITAN COUNCIL.] By November 1 of each year starting in 1986, the metropolitan council shall submit to the senate finance committee, the house appropriations committee, and the legislative commission on waste management a report detailing the activities for which money from the landfill abatement fund has been spent during the previous fiscal year.

Sec. 51. [115A.913] [LIABILITY.]

Subdivision 1. [OPERATOR NOT LIABLE.] After a facility located in the metropolitan area for the disposal of mixed municipal solid waste is closed for 20 years in compliance with closure and postclosure rules of the agency adopted under section 52, the operator is not liable under any law for response and postclosure costs incurred by the agency.

- Subd. 2. [RECOVERY OF EXPENSES.] Subdivision 1 does not affect the liability of any person, other than the operator, who may be liable for those costs. When the agency incurs response costs at a facility, the agency is subrogated to any right of action that the operator or owner of the facility may have against any other person for the recovery of the costs.
- Subd. 3. [ACTION TO RECOVER COSTS.] The attorney general may bring an action to recover amounts spent by the agency for response, closure, or postclosure costs under section 49, subdivision 2, and section 51, subdivision 2, from persons who may be liable for them. Amounts recovered, including money paid under any agreement, stipulation, or settlement shall be credited to the landfill contingency action fund.
 - Sec. 52. [115A.915] [LANDFILL CLOSURE AND POSTCLOSURE;

FINANCIAL RESPONSIBILITY.]

- Subdivision 1. [CLOSURE AND POSTCLOSURE RESPONSIBILITY AND LIABILITY.] An operator or owner of a facility is responsible for closure of the facility and postclosure care relating to the facility. If an owner or operator has failed to provide the required closure or postclosure care of the facility the agency may take the actions. The owner or operator is liable for the costs of the required closure and postclosure care taken by the agency.
- Subd. 2. [CLOSURE AND POSTCLOSURE RULES.] The agency shall adopt rules for the closure of facilities and for the postclosure care of closed facilities that apply to all facilities except those closed before the rules become effective. Compliance with the rules is a condition of obtaining or retaining a permit to operate the facility. The rules shall provide standards and procedures for closing the facilities and for the care, maintenance, and monitoring of the facilities after closure that will prevent, mitigate, or minimize the threat to public health and the environment posed by the closed facilities.
- Subd. 3. [FINANCIAL RESPONSIBILITY RULES.] The agency shall adopt rules requiring the operator or owner of a facility to submit to the agency proof of the operator's or owner's financial ability to provide reasonable and necessary response during the operating life of the facility and for 20 years after closure, and to provide for the closure of the facility and postclosure care required under agency rules. The operator or owner of a facility shall provide the proof of financial responsibility before receiving an original permit or a permit for expansion. Every operator or owner of a facility with a remaining capacity of more than five years or 500,000 cubic yards shall provide the agency with proof of financial responsibility within 180 days after the effective date of the rules. Compliance with the rules is a condition of obtaining or retaining a permit to operate the facility.
- Subd. 4. [ENFORCEMENT; PENALTIES.] This shall be enforced as provided in section 115.071. Money recovered under this section and other solid waste enforcement actions of the agency shall be credited to the landfill contingency action fund.

Sec. 53. [115A.917] [CERTIFICATE OF NEED.]

No new capacity for disposal of mixed municipal solid waste may be permitted in counties outside the metropolitan area without a certificate of need issued by the agency indicating the agency's determination that the additional disposal capacity is needed in the county. A certificate of need may not be issued until the county has a plan approved under section 115A.46. If the original plan was approved more than five years before, the agency may require the plan to be revised before a certificate of need is issued under this section. The agency shall certify need only to the extent that there are no feasible and prudent alternatives to the additional disposal capacity, including waste reduction, source separation, and resource recovery, that would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural are not feasible and prudent. Economic considerations alone do not justify the certification of need or the rejection of alternatives.

Sec. 54. [115A.919] [COUNTY FEE AUTHORITY.]

A county may charge an additional fee to operators of facilities for mixed

municipal solid waste located within the county. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Sec. 55. [115A.921] [CITY OR TOWN FEE AUTHORITY.]

A city or town may charge a fee, not to exceed \$1 per ton, or its equivalent, of solid waste accepted and disposed of on land, to operators of facilities for mixed municipal solid waste located within the city or town. The revenue from the fees shall go to the city or town general fund for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Sec. 56. Minnesota Statutes 1983 Supplement, section 115B.22, subdivision 1, is amended to read:

Subdivision 1. [TAXES IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the taxes imposed by this section based upon the volume and destination of the hazardous wastes generated. The taxes imposed by this section do not apply to hazardous wastes destined for recycling or reuse including waste accumulated, stored, or physically, chemically, or biologically treated before recycling or reuse, to used crankcase oil, to hazardous waste which is generated as a result of any response action, or to hazardous waste which meets applicable pretreatment standards or compliance schedules and is discharged to a public sewage treatment works, or to hazardous waste that is generated as residue from a hazardous waste treatment facility that incinerates waste subject to taxation under subdivision 5.

Sec. 57. [116E.05] [PUBLIC EDUCATION.]

The Minnesota environmental education board shall develop and disseminate curriculum materials for youth and adult education on the subject of hazardous waste management.

- Sec. 58. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:
- Subd. 8a. [HAZARDOUS WASTE PROCESSING FACILITY LOAN.] "Hazardous waste processing facility loan" means a loan for the acquisition, construction, or improvement of real and personal property to be used for the collection or processing of hazardous waste as those terms are defined in section 115A.03, sudivisions 5, 13, and 25.
- Sec. 59. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 4a. [HAZARDOUS WASTE PROCESSING FACILITY LOANS.] The authority may make, purchase, participate in making or purchasing hazardous waste processing facility loans in any amount, and may enter into commitments therefore. A private person proposing to develop and operate a hazardous waste processing facility is eligible to apply for a loan under this subdivision. Applications must be made to the authority. The authority shall forward the applications to the waste management board for review pursuant to section 13. If the waste management board does not certify the application, the authority may not approve the application nor make the loan. If the

waste management board certifies the application, the authority shall approve the application and make the loan if funds are available for it and if the authority finds that:

- (a) development and operation of the facility as proposed by the applicant is economically feasible;
- (b) there is a reasonable expectation that the principal and interest on the loan will be fully repaid; and
- (c) the facility is unlikely to be developed and operated without a loan from the authority.

The authority and the waste management board shall establish coordinated procedures for loan application, certification, and approval.

The authority may use the economic development fund to provide financial assistance to any person whose hazardous waste processing facility loan application has been certified by the waste management board and approved by the authority, and for this purpose may exercise the powers granted in section 116J.89, subdivision 1a, with respect to any loans made or bonds issued under this subdivision regardless of whether the applicant is an eligible small business.

The authority may issue bonds and notes in the aggregate principal amount of \$10,000,000 for the purpose of making, purchasing, or participating in making or purchasing hazardous waste processing facility loans. This amount is in addition to any other authority to issue bonds and notes under chapter 116J.

- Sec. 60. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 3a. [HAZARDOUS WASTE PROCESSING FACILITY LOANS.] The authority may make or purchase or participate in making or purchasing hazardous waste processing facility loans in any amount, under this subdivision or subdivision 4, subject to approval of loan proposals by the waste management board pursuant to section 13. The authority may adopt temporary rules under sections 14.29 to 14.36 to implement the loan program under this subdivision. Any temporary rules adopted by the authority shall remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.
- Sec. 61. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 4, is amended to read:
- Subd. 4. [POLLUTION CONTROL AND HAZARDOUS WASTE PRO-CESSING FACILITY LOANS.] The authority may make or purchase or participate in making or purchasing pollution control loans and hazardous waste processing facility loans in any amount, which may be secured in whole or part by the guarantee or insurance of the federal government or any federal department, agency, or instrumentality, by a private insurer, from guarantees or insurance provided by the economic development fund or any special account of it, by reserves, moneys, funds, or other collateral required by the authority or any combination of the foregoing. To the extent consistent with this subdivision, the authority may make or purchase or participate in the making or purchasing of pollution control loans and hazardous waste

processing facility loans in the manner provided in subdivision 2 or 3 with respect to business loans.

- Sec. 62. Minnesota Statutes 1982, section 116J.91, is amended by adding a subdivision to read:
- Subd. 11a. In addition to any amounts authorized under subdivision 11, the authority may issue bonds and notes in the aggregate principal amount of \$10,000,000 for the purposes of making, purchasing, or participating in making or purchasing hazardous waste processing facility loans.
- Sec. 63. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:
- Subd. 15. [RESOURCE RECOVERY EQUIPMENT.] A credit of ten percent of the net cost of real and tangible personal property used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28, may be deducted from the tax due under this chapter in the taxable year in which the property is purchased.
- If the amount of the credit provided by this subdivision exceeds the taxpayer's liability under this chapter for the taxable year, the excess may be carried forward to the four taxable years following the year of purchase.
- Sec. 64. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:
- Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:
- (a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:
 - (i) candy and candy products;
- (ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;
- (b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;
- (c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions,

electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

- (d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded:
- (g) The gross receipts from the sale of clothing and wearing apparel except the following:
- (i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.
- (ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.
- (iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic

cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

- (iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.
- (h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam. used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein:
- (i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;
- (j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an install-

ment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

- (k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;
- (1) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.
- (m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.
 - (n) The gross receipts from the sale of telephone central office telephone

equipment used in furnishing intrastate and interstate telephone service to the public.

- (o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.
- (p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
 - (q) The gross receipts from the sale of caskets and burial vaults;
- (r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.
- (s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.
- (t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.
- (u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which

under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

- (v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.
- (w) The gross receipt from the sale of residential heating fuels in the following manner:
- (i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;
- (ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;
- (iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.
- (x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).
- (y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:
- (i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and
- (ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.
- (z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.
- (aa) The gross receipts from the sale of tangible personal property used for processing solid or hazardous waste at a resource recovery facility, as defined in section 115A.03, subdivision 28.
- Sec. 65. Minnesota Statutes 1982, section 400.04, is amended by adding a subdivision to read:
 - Subd. 2a. [RIGHT OF ENTRY.] A county or authorized agent of the

county may enter during normal business hours on public or private property to obtain information or conduct surveys or investigations to accomplish the purposes under chapter 400 if reasonable notice is given and compensation is made for any damage to the property caused by the entrance and activity.

Sec. 66. Minnesota Statutes 1982, section 400.04, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION, CONSTRUCTION AND OPERATION OF PROPERTY AND FACILITIES.] A county may acquire, construct, enlarge, improve, repair, supervise, control, maintain, and operate any and all solid waste facilities and other property and facilities needed, used, or useful for solid waste management purposes, and. Notwithstanding any other law to the contrary, a county may purchase and lease materials, equipment, machinery and such other personal property as is necessary for such purposes upon terms and conditions determined by the board, with or without advertisement for bids including the use of conditional sales contracts and leasepurchase agreements. If a county contract is let by negotiation, without advertising for bids, the county shall conduct such negotiation and award the contract using a fair and open procedure and in full compliance with section 471.705. If a county contract is to be awarded by bid, the county may, after notice to the public and prospective bidders, conduct a fair and open process of prequalification of bidders prior to advertisement for bids. A county may employ such personnel as are reasonably necessary for the care, maintenance and operation of such property and facilities. A county shall contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.

Sec. 67. Minnesota Statutes 1982, section 400.162, is amended to read:

400.162 [COUNTY DESIGNATION OF RESOURCE RECOVERY FA-CILITY.]

The authority granted to counties by this section shall not apply within the Western Lake Superior Sanitary District established by Laws 1971, Chapter 478, as amended, nor within any solid waste management district established under sections 115A.62 to 115A.72. In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility. Any county designation shall be based upon a plan prepared and approved in conformance with section 115A.46 and shall be submitted pursuant to section 115A.071 for review and approval or disapproval by the waste management board. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6 A qualifying county may be authorized to designate a resource recovery facility pursuant to sections 34 to 44.

Sec. 68. Minnesota Statutes 1982, section 473.181, subdivision 4, is

amended to read:

- Subd. 4. [SOLID WASTE.] The council shall review equaty solid waste reports, and solid waste facility permit applications pursuant to sections 473.803 and 473.823 management activities of local government units as provided in sections 473.801 to 473.834 and 34 to 44.
- Sec. 69. Minnesota Statutes 1982, section 473.811, subdivision 10, is amended to read:
- Subd. 10. ICOUNTY DESIGNATION OF RESOURCE RECOVERY FACILITIES.] The authority granted to metropolitan counties by this subdivision shall not apply within any solid waste management district established under sections 115A.62 to 115A.72. In order to accomplish the objectives of county waste management, to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary to authorize a county to require that all or any portion of the solid waste that is generated within the boundaries of the county or any service area thereof and is disposed of in the state be delivered to a resource recovery facility designated by the county board or a transfer station serving such a facility. Any county designation shall be based upon an approved master plan and shall be submitted pursuant to section 473.827, subdivision 1, for review and approval or disapproval by the metropolitan council. In establishing, continuing, and terminating the designation, the county shall be governed by all standards, exemptions, procedures, and other requirements provided in section 115A.70, subdivisions 2 to 6 A qualifying county may be authorized to designate a resource recovery facility under sections 34 to 44.
- Sec. 70. Minnesota Statutes 1983 Supplement, section 473.823, subdivision 6, is amended to read:
- Subd. 6. [COUNCIL; CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility or capacity shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need. The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, the council's solid waste disposal facilities development schedule adopted under section 473.149, subdivision 2e, and the abatement master plans of counties adopted pursuant to section 473.803, subdivision 1b and approved by the council under section 473,803, subdivision 2. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of alternatives. In its certification the council shall not consider alternatives which have been eliminated from consideration by the adoption of the inventory pursuant to section 473.149, subdivision 2b, or the selection of sites under section 473.833, subdivision 3.

Sec. 71. Minnesota Statutes 1983 Supplement, section 473.831, is amended to read:

473.831 [DEBT OBLIGATIONS; SOLID WASTE DISPOSAL.]

Subdivision 1. [GENERAL OBLIGATION BONDS.] The council may by resolution authorize the issuance of general obligation bonds of the council to provide funds for the environmental analysis and acquisition of permanent or temporary right, title, or interest in real property, including easements and development rights, for sites and surrounding buffer areas for solid waste disposal facilities pursuant to this section and section sections 473,833 and 473.840 and to provide funds for refunding obligations issued under this section. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for general obligation bonds, and the council shall have the same power and duties as a municipality and its governing body in issuing bonds under chapter 475, except as otherwise provided in this chapter. No election shall be required, and the net debt limitations in chapter 475 shall not apply. The council shall have the power levy ad valorem taxes for debt service of the council's solid waste bonds upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

- Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used by the council, for the purposes provided in subdivision 1 and to make grants to metropolitan counties to pay the cost of the environmental review of sites, the acquisition of development rights for all or part of the period that the development limitation imposed by section 473.806 is in effect, and the acquisition of all property or interests in property for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to section sections 473.833 and 473.840, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e. If the council is required by law or regulation to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.
- Sec. 72. Minnesota Statutes 1982, section 473.833, subdivision 4, is amended to read:
- Subd. 4. [ACQUISITION AND DISPOSITION.] In order to prevent the development of conflicting land uses at and around future solid waste disposal facility sites, the council shall provide for the acquisition by a each metropolitan county of shall acquire property and rights in property at and around each solid waste disposal site selected within the county pursuant to subdivision 3. Each site scheduled for development as a facility through the year 1990 shall be acquired in fee. Development rights shall be acquired for each site scheduled for development as a facility after the year 1990 through

the year 2000. Development rights shall be acquired in a buffer area surrounding and at least equal to the area of each site scheduled for development as a facility through the year 2000. The owner of any property for which development rights are to be or have been acquired pursuant to this subdivision may elect by written notice at any time up to 90 days following the issuance of a permit by the agency for a facility to have the county acquire fee title to the property. Fee title shall be acquired by counties for buffer areas only at the election of the owner of the fee.

Sec. 73. [473.840] [PURCHASE OF CERTAIN PROPERTY.]

Subdivision 1. [PUBLIC PURPOSE.] In order for the responsible public agency to select and acquire environmentally suitable sites and buffer areas for the safe disposal of waste, the legislature finds that it is necessary and proper for the responsible agency to evaluate more than one site for disposal facilities and that it is appropriate to purchase property, within the sites and buffer areas selected for evaluation, to avoid or mitigate any undue hardship that may be imposed on property owners as a result of the selection of sites for evaluation.

- Subd. 2. [DEFINITIONS.] (a) "Qualifying property" is a parcel of real property any part of which is located within the site or buffer area of a candidate site selected under section 473.153, subdivision 2, for purposes of environmental review under subdivision 5 of that section, or a site included in the metropolitan inventory adopted under section 473.149, subdivision 2b, for the purposes of environmental review under section 473.833, subdivision 2a.
- (b) An "eligible owner" is a person who: (1) owns the entire parcel of qualifying property; (2) owned the entire parcel of property at the time the site was selected as a candidate site or included in the metropolitan inventory; (3) since the site was selected or included in the inventory, has for at least six months offered to sell the entire parcel on the open market through a licensed real estate agent; and (4) has not previously entered a contract under subdivision 4 for the sale of any or all of the parcel.
- Subd. 3. [CONTRACT REQUEST.] An eligible owner of property qualifying under section 473.153 may request in writing that the waste control commission and the metropolitan council enter a contract for the purchase of the property as provided in subdivision 4. An eligible owner of property qualifying under sections 473.149 and 473.833 may request in writing that the county in which the property is located and the metropolitan council enter a contract for the purchase of property as provided in subdivision 4. A contract may not be executed under subdivision 4 after the determination of adequacy of the environmental impact statement. Environmental review commences on the day of publication of the environmental impact statement preparation notice.
- Subd. 4. [CONTRACT; TERMS AND REQUIREMENTS.] The council and the county or commission shall enter a contract as provided in this subdivision with an eligible owner of qualifying property who requests the council and the county or commission to enter the contract as provided in subdivision 3. The council and the county or commission have 90 days to act on a request submitted under subdivision 3. The contract must include at least the following terms:

- (a) The owner must offer to sell the entire parcel of property on the open market through a licensed real estate agent approved by the council for at least a six month period beginning within one month after the appraised market value of the property is determined as provided in paragraph (2). The offer to sell must be made at no more than the appraised market value.
- (b) The appraised market value of the property must be determined by an appraiser selected by the council. If the owner disagrees with the appraisal the owner shall select an appraiser to make a second appraisal. If a second appraisal is made, the council and the owner may agree on an appraised market value equal to either the first or second appraisal or any amount between those appraisals. If the council and owner do not agree on an appraised market value the two appraisers shall select a third appraiser, and the appraised market value must be determined by a majority of the three appraisers. Appraisers must be selected from the approved list of real property appraisers of the state commissioner of administration. Appraisers shall take an oath that they have no interest in any of the property to be appraised or in the purchase thereof. Each party shall pay the cost of the appraiser selected by that party and shall share equally in the cost of a third appraiser selected under this paragraph. The appraised market value of the property may not be increased or decreased by reason of its selection as a candidate or inventoried site or buffer area.
- (c) The county or commission must purchase the entire parcel of property at the appraised market value determined under paragraph (b) if: (1) the council determines, based upon affidavits provided by the owner and the real estate agent and other evidence the council may require, that the owner has made a good faith effort to sell the property as provided in paragraph (a) and has been unable to sell the property at the appraised market value; (2) the council determines that the owner will be subject to undue hardship as a result of failure to sell; (3) the county or commission determines that the owner has marketable title to the property and that the owner has cured any defects in the title within a reasonable time as specified in the contract; and (4) the owner conveys the property by warranty deed in a form acceptable to the county or commission.
- (d) The owner may not assign or transfer any rights under the contract to another person.
- (e) The contract expires and the obligations of the parties under the contract cease when the property is sold or is either selected or eliminated from consideration by a final decision of the council under section 473.153, subdivision 6, or by a final decision of the county site selection authority or council under section 473.833, subdivision 3.
- (f) The council and the commission or county may require other terms of contract that are consistent with the purposes of this section and necessary to protect the interests of the parties.
- Subd. 5. [COMPENSATION OF AGENT; LIMITATION.] A real estate agent may not receive a commission or any other compensation from an owner of property which is subject to a contract under subdivision 4 if the property is purchased by the public agency under that contract. Any term of a contract between a real estate agent and a property owner contrary to the provisions of this subdivision is void and unenforceable.

- Subd. 6. [ADMINISTRATION.] The council, the county, and the commission are authorized to perform all acts required to enter and enforce contracts to purchase real property as provided in this section, including selecting and compensating appraisers and real estate agents.
- Subd. 7. [DISPOSITION OF PROPERTY.] (a) Property acquired by the county or commission under this section must be retained in ownership until the selection of sites is completed under section 473.153 or 473.833, whereupon the county or commission shall sell all property located in the area of any site eliminated from further consideration and all property in the area of the selected sites that is not needed for the site or buffer area. The commission or county, with the approval of the council, may temporarily delay sale to protect the interests of the public agencies involved. The sale must be approved by the council, and the proceeds of the sale must be returned to the council and used to pay principal and interest on debt issued for acquisition.
- (b) The county or commission may lease or rent any property acquired under this section for any use which is consistent with the development limitations until it is sold or is needed for use as a facility site or buffer area. Lease and rental agreements must be approved by the council, and proceeds of any lease or rental must be returned to the council and used to pay principal and interest on debt issued for acquisition. The county or commission may insure against loss to the property by fire, lightning, windstorm, tornado, flood, or hail, in the amount determined by the county or commission, using any insurance company licensed to do business in the state.

Sec. 74. [DEVELOPMENT OF COLLECTION AND TRANSPORTATION SERVICES.]

- (a) The board through its chairperson shall request, under section 11, proposals for the development and operation of a system of commercial collection and transportation services especially designed to serve small businesses that have difficulty securing effective and reliable collection and shipment services and acceptance of wastes at appropriate waste facilities. The board's request under this section should require proposals containing at least the following elements:
 - (1) a collection service;
 - (2) assistance to clients about on-site waste management;
- (3) a shipping coordination service, which may include transfer and temporary storage and bulking facilities and computerized inventory tracking capabilities, as the proposer deems appropriate and necessary to provide efficient and reliable combined shipment of wastes from generators to processing and disposal facilities;
- (4) a brokerage service to ensure acceptance of wastes at appropriate processing and disposal facilities;
- (5) recommendations on the utility of local or regional associations of generators to increase the efficiency and reliability of the services;
- (6) recommendations on processing facilities, including mobile modular processing units, that would complement the collection and transportation system.

(b) The board's request must require proposals that offer the delivery of services in stages commencing no later than July 1, 1985. The board should specify or require specification of immediate and staged performance standards for the services proposed, that may include standards relating to the volume and types of waste, the number and geographic distribution of generators served, accessibility, the percent of total waste and generators served, and other appropriate matters. After evaluating proposals received under its request, the board may select a proposer as the recipient of a development grant under section 10. Notwithstanding the provisions of section 10, subdivisions 4 and 5, on the amount of the grant and the required match, the grant made under this section may be up to \$350,000 and may not require a match greater than ten percent of the grant award.

Sec. 75. [ORGANIZED COLLECTION STUDY.]

The metropolitan council shall study the benefits and feasibility of a system of organized collection of residential, commercial, and industrial solid wastes in the metropolitan area. The council shall submit a report on the results of the study to the legislative commission on waste management by June 1, 1985.

Sec. 76. [INSURANCE FEASIBILITY STUDY.]

The waste management board shall conduct a study of the feasibility and desirability of providing insurance for the costs of response actions and third party damages resulting from facilities for the disposal of mixed municipal solid waste. The waste management board shall submit findings, conclusions, and recommendations in a report to the legislative commission on waste management by December 1, 1984.

Sec. 77. [RESOURCE RECOVERY FACILITIES.]

Subdivision 1. [SERVICE CHARGES.] Ramsey and Washington Counties may exercise the powers of a county under Minnesota Statutes, section 400.08 in addition to the powers which the counties may exercise under other law.

- Subd. 2. [USE OF COUNTY FUNDS AND LONG-TERM CONTRACTS.] Any available funds of the county including rates and charges imposed pursuant to subdivision I may be used for solid waste management purposes including reduction of the waste disposal fees at a resource recovery facility. The county may by a contract with a term of not more than 40 years covenant to apply available funds of the county for any solid waste management purposes and to take, omit, or prohibit any other action that the county determines is appropriate to provide for receipt of adequate types and amounts of solid waste by a waste facility or to otherwise assure the feasibility of the facility.
- Subd. 3. [LEASE OR SALE OF PROPERTY TO PRIVATE PERSONS.] Notwithstanding section 473.811, subdivision 8, to accomplish the purposes set out in section 473.803, a county may, without review of the disposition by the pollution control agency or metropolitan council, lease or sell all or part of the resource recovery or related facility, including transmission facilities and property or property rights for a resource recovery or related facility to a private person, on the terms the county deems appropriate, but a lease or sale contract shall provide for the operation and maintenance of the facility in

accordance with the rules criteria and standards of the pollution control agency, the waste management board, the metropolitan council, and the county.

Subd. 4. [APPLICATION.] This section applies separately to each of Ramsey and Washington Counties the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by its governing body.

Sec. 78. [EXEMPTION TO CERTIFICATE OF NEED.]

Section 53 shall not apply to any expansion of a facility for which the EIS preparation notice has been published on or before March 15, 1984.

Sec. 79. [HAZARDOUS WASTE EMERGENCY TRAINING.]

- (a) The commissioner of the department of public safety shall provide by contract agreement the training of safety officials on methods of handling hazardous waste emergencies. The training shall be focused on handling emergencies relating to transportation of hazardous waste. The training must include seminars, workshops, hands-on experience, or actual field demonstrations.
- (b) The program should emphasize handling emergencies in an urban center or rural area and methods of early recognition; evacuating areas; coordination of enforcement, fire, and civil defense; treatment of fire, spillage, and explosion; health hazards; and clean up.
- (c) The commissioner shall select sites reasonably distributed throughout the state for the training to take place and may make contracts for training at those sites.

Sec. 80. [APPROPRIATIONS.]

- Subdivision 1. [WASTE MANAGEMENT BOARD.] The following amounts are appropriated from the general fund to the waste management board and are available until June 30, 1985.
 - (a) For technical and research assistance programs, \$300,000.
 - (b) For hazardous waste reduction feasibility studies, \$300,000.
- (c) For hazardous waste collection and processing feasibility studies, \$650,000.
- (d) For administration of the programs provided in sections ... to ..., \$100,000.

The complement of the waste management board is increased by ... positions.

- Subd. 2. [MEEB.] The sum of \$25,000 is appropriated from the general fund to the Minnesota environmental education board for the purpose of section 57, and is available until June 30, 1985.
- Subd. 3. [AGENCY.] The sum of \$...... is appropriated from the general fund to the pollution control agency to be available for the fiscal year ending June 30 in the years indicated. The unencumbered balance remaining in the first year does not cancel but is available for the second year.

1000

1004

	1984	1985
Of this amount, \$ the first year and \$ the second year is for payment to the metropolitan council, to be spent for the following purposes:		
(a) The organized collection study in section 75	\$	\$
(b) For market development grants	\$	\$
(c) For resource recovery grants and loans	\$	\$
(d) For solid waste planning assistance	\$	\$
For adoption and enforcement of rules	\$	\$

Subd. 4. [WASTE MANAGEMENT BOARD.] The sum of \$...... is appropriated from the general fund to the waste management board to be available for the fiscal year ending June 30 in the years indicated. The unencumbered balance remaining the first year does not cancel but is available for the second year. The money shall be used for the purposes and in the manner provided in section 76.

1984 1985 \$..... \$.....

- Subd. 5. [REIMBURSEMENT.] Any amount expended by the agency or waste management board from the appropriations in subdivisions 1 and 2 shall be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated from the landfill abatement fund to the commissioner of finance for transfer to the general fund.
- Subd. 6. [COMMISSIONER OF REVENUE.] The sum of \$..... is appropriated from the general fund to the commissioner of revenue for the purpose of administering section 41, to be available until June 30, 1985. This appropriation shall be reimbursed to the general fund under section 41, subdivision 6. The complement of the department of revenue is increased by two positions.
- Subd 7. [COMMISSIONER.] The sum of \$75,000 is appropriated to the commissioner of public safety for the purpose in section 53. The unencumbered balance does not cancel and remains available until expended.

Sec. 81. [REPEALER.]

Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7, are repealed.

Sec. 82. [APPLICATION.]

This act, except for section 77, is effective the day following final enactment. Sections 47 to 50 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 83. [EFFECTIVE DATE.]

Sections 52, 53, 66, and 67 are effective the day following final enactment.

Sections 47 to 51, 54, and 55 are effective January 1, 1985. Section 55 is effective for taxable years beginning after December 31, 1983. Section 63 is effective for sales after June 30, 1984."

Delete the title and insert:

"A bill for an act relating to solid and hazardous waste management; defining resource recovery facility; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical, financial and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring a report on the need and feasibility of hazardous waste facilities; authorizing volunteer candidate sites; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; designating resource recovery facilities; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 1 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.18; 115A.21, by adding a subdivision; 115A.42; 115A.46, subdivisions 1 and 2; 115A.57, subdivision 1; 115A.59; 115A.70, by adding a subdivision; 116J.88, by adding a subdivision; 116J.90, by adding subdivisions; 116J.91, by adding a subdivision; 290.06, by adding a subdivision; 400.04, subdivision 3, and by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.11; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.24; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, subdivision 4; 297A.25, subdivision 1; 473.823, subdivision 6; and 473.831; proposing new law coded in Minnesota Statutes, chapters 115A; 116E; and 473; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7."

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1781: A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 9 to 11, reinstate the stricken language

Page 2, line 11, before the reinstated semicolon, insert ", and when that person has been employed to auction real estate by a person licensed under

this chapter"

Page 2, lines 12, 18, 22, 25, and 30, reinstate the stricken language and delete the new language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1755: A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

H.F. No. 1481: A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; allowing credit unions to designate the par value of shares; specifying certain components of the capital of a credit union; adding investment losses to the category of contingencies against which credit unions are required to reserve; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.17, subdivision 1; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.01; 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

H.F. No. 1652: A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1866: A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be

placed on the Consent Calendar. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 2083: A resolution memorializing the Administrator of General Services of the United States of the development of a permanent operation plan for the distribution of federal surplus property.

Reports the same back with the recommendation that the resolution do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- H.F. No. 1784: A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 1325: A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 9: A bill for an act relating to state employees; establishing Martin Luther King's birthday as an optional holiday; amending Minnesota Statutes 1982, section 645.44, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 126.10, is amended to read:

126.10 [SPECIAL DAYS.]

The following days or the school days nearest to them are designated for special observance in the public schools of the state: September 28 as Frances Willard Day, October 9 as Leif Ericson Day, January 15 as Martin Luther King, Jr. Day, and February 15 as Susan B. Anthony Day. On these days schools may offer instruction and programs in commemoration of the life and history of the respective persons and the principles and ideals they fostered.

Sec. 2. Minnesota Statutes 1982, section 126.13, is amended to read:

126.13 [CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.]

The governing body of any district may contract with any of the teachers thereof for the conduct of schools, and may conduct schools, on either, or any, of the following holidays, provided that a clause to this effect is inserted in the teacher's contract: Martin Luther King's birthday, Lincoln's and Washington's birthdays, Columbus Day and Veterans' Day, provided that on Martin Luther King's birthday, Washington's birthday, Lincoln's birthday, and Veterans' Day at least one hour of the school program be devoted to a patriotic observance of the day.

Sec. 3. Minnesota Statutes 1982, section 136.22, is amended to read:

136.22 [CLASSES ON HOLIDAYS.]

The state university board is hereby authorized to conduct classes in the several state colleges on either or any of the following holidays: *Martin Luther King's Birthday*, Lincoln's Birthday, Washington's Birthday, Columbus Day, and Veterans Day, provided that when classes are held on *Martin Luther King's Birthday*, Washington's Birthday, Lincoln's Birthday, or Veterans Day, that at least one hour of the school day be devoted to a patriotic observance of that day.

Sec. 4. Minnesota Statutes 1982, section 645.44, subdivision 5, is amended to read:

Subd. 5. [HOLIDAYS.] "Holiday" includes New Year's Day, January 1; Martin Luther King's birthday, the third Monday in January; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Christopher Columbus Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November, and Christmas Day, December 25; provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11: or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday. No public business shall be transacted on any holiday, except in cases of necessity and except in cases of public business transacted by the legislature, nor shall any civil process be served thereon. However, for the executive branch of the state of Minnesota, "holiday" also includes the Friday after Thanksgiving but does not include Christopher Columbus Day. Other branches of state government and political subdivisions shall have the option of determining whether Christopher Columbus Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Columbus Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon.

Any agreement between a public employer and an employee organization citing Veterans Day as the fourth Monday in October shall be amended to cite Veterans Day as November 11.

Sec. 5. [EFFECTIVE DATE.]

This act is effective January 1, 1986."

Delete the title and insert:

"A bill for an act relating to holidays; establishing Martin Luther King's birthday as a holiday; allowing school districts and state colleges to conduct classes on Martin Luther King's birthday provided there is a patriotic observance of the day; amending Minnesota Statutes 1982, sections 126.10; 126.13; 136.22; and 645.44, subdivision 5."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred
- S.F. No. 1145: A bill for an act relating to education; providing for self-insured, statewide fringe benefit coverage for employees of school districts and others; appropriating money; proposing new law coded in Minnesota Statutes, chapter 121.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after the enacting clause, insert:

- "Section 1. Minnesota Statutes 1982, section 43A.04, is amended by adding a subdivision to read:
- Subd. 9. [SCHOOL EMPLOYEE FRINGE BENEFITS.] The commissioner shall administer the school employee fringe benefit fund as set forth in section 4."
 - Page 1, line 10, delete "9" and insert "10"
 - Page 1, line 20, delete "or a" and insert "; and a person who is"
 - Page 1, line 21, delete "person"
 - Page 2, line 11, delete "employers" and insert "those"
- Page 2, line 16, before "The" insert "The school employee fringe benefit board provides advice and consultation to the commissioner on all aspects of the commissioner's duties under section 5."
 - Page 2, line 16, delete "school"
- Page 2, line 17, delete "employee fringe benefit" and delete "11" and insert "five" and delete "four" and insert "two"
- Page 2, line 18, delete "five public members" and insert " and two professionals"
 - Page 2, line 19, delete "knowledgeable" and delete the comma
 - Page 2, line 20, delete everything before the period
 - Page 2, line 20, delete "governor" and insert "commissioner"
 - Page 2, line 21, delete everything after "board"
 - Page 2, delete line 22
 - Page 2, line 23, delete everything before the first comma

Page 2, line 24, after "1987." insert "Members shall be subject to the conflict of interest provisions of section 43A.38."

Page 2, delete lines 25 to 33

Renumber the subdivisions in sequence

Page 3, delete lines 18 to 35

Page 4, delete lines 2 and 3 and insert:

- "(1) establish a benefit plan or plans consistent with section 8;
- (2) annually establish premiums necessary to provide the benefits;
- (3) establish the effective dates for group insurance contracts and for changes in coverage and premiums;
- (4) determine eligibility requirements for active and retired employees and for dependents;
- (5) report annually to the legislative commission on employee relations a detailed statement of assets and liabilities, the amount and character of the business transacted, and money reserved and expended during the previous year;
- (6) establish procedures for holding school district elections on the question of participation in and withdrawal from the fund,"

Renumber the clauses in sequence

- Page 4, line 14, after "reserves" insert "including the reservation of an appropriate amount of additional funds to cover the cost of claims incurred, but unpaid, during the term of the contract"
- Page 4, line 16, delete "EMPLOYER-PAID BENEFIT" and insert "ELI-GIBILITY DETERMINATION"
 - Page 4, line 17, delete "employer-paid"
- Page 4, line 27, after "agreement" insert ", and premiums shall be established by the board"
 - Page 4, line 29, delete "five" and insert "two"
 - Page 4, line 35, delete "7" and insert "8"
 - Page 5, line 7, delete "7" and insert "8"
- Page 5, line 24, delete everything after the period, and insert "The exclusive representative must determine whether to participate in the plan by April 5, 1985, and coverage will be effective September 1, 1985."
 - Page 5, delete lines 25 and 26
 - Page 6, line 21, after "include" insert "at least two benefit options;"
 - Page 6, line 21, delete "of not less than \$500,000"
 - Page 6, line 22, delete "of \$100 or" and insert a semicolon
 - Page 6, line 23, delete "of \$300"
 - Page 6, line 23, after "expense" delete "of"

Page 6, line 24, delete "\$1,000"

Page 6, line 26, before the period, insert ", unnecessary utilization, and provide incentives for cost effective providers"

Page 6, line 27, before "opinion" insert "surgical" and delete "surgery"

Page 6, delete lines 28 and 29 and insert "preferred provider arrangements, hospital utilization review, employee auditing of hospital bills,"

Page 6, line 30, after "for" insert "ambulatory care,"

Page 7, line 6, after "employer" insert "and the exclusive representative"

Page 7, line 8, delete "The employer pays the"

Page 7, delete line 9

Page 7, line 10, delete "benefits."

Page 7, line 10, after "for" insert "employee health, dental, and life benefits and"

Page 7, line 13, delete "may make reasonable modifications"

Page 7, line 14, delete "in these amounts" and insert "determines the amount to be contributed by each"

Page 8, line 20, delete "9" and insert "10"

Page 8, line 25, delete "7" and insert "8"

Renumber the sections in sequence

Amend the title as follows:

Page 1, after line 4, insert "amending Minnesota Statutes 1982, section 43A.04, by adding a subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1479: A bill for an act relating to public welfare; clarifying the commissioner's rulemaking authority; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 33, delete "The appropriate"

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1722: A bill for an act relating to agriculture; requiring agricultural land preservation planning and official controls outside of the metropolitan area; providing for the creation of exclusive agricultural use zones; establishing agricultural land preservation and conservation awareness and assistance programs; allowing valuation of agricultural land on the basis of productivity and net earning capacity; creating a legislative commission on agricultural land preservation and conservation; authorizing a special levy; creating a cost-sharing account in the state treasury; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 17 to 18, delete section 20

Page 18, line 18, delete "legislative commission" and insert "legislature"

Page 18, line 19, delete everything before the second "on"

Page 19, delete lines 29 to 34

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete everything after the semicolon

Page 1, delete line 10

Page 1, line 11, delete everything before "authorizing"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2016: A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office: eliminating or transferring certain filings; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; eliminating the requirement of publication after incorporation; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 297.04, subdivision 3; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2;

315.32; 315.365, subdivision 2; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 325D.67, subdivisions 5 and 6; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.02; 333.035; 333.055, subdivision 1; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 365.46; 379.05; 507.10; 540.152; 543.08; Minnesota Statutes 1983 Supplement, sections 53.03, subdivisions 5 and 6; 300.083, subdivision 6; 302A.521, subdivision 6; 336.9-401; 507.09; and 648.39, subdivision 1; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 4, delete sections 2 and 3

Pages 16 to 29, delete sections 12 to 26

Pages 34 to 37, delete sections 33 to 36

Pages 38 to 57, delete sections 39 to 55

Pages 59 and 60, delete sections 60 and 61

Page 62, delete sections 63 and 64

Page 62, line 17, delete "64" and insert "22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete line 6

Page 1, line 7, delete everything before "eliminating"

Page 1, delete lines 9 to 16

Page 1, line 17, delete everything before "amending"

Page 1, line 21, delete everything after the second semicolon

Page 1, delete lines 22 to 25

Page 1, line 26, delete "subdivision 3:"

Page 1, delete line 28

Page 1, line 29, delete "322A.86;" and delete "331.02,"

Page 1, delete lines 30 to 33

Page 1, line 34, delete "362A.01, subdivision 1;"

Page 1, line 35, delete everything before "Minnesota"

Page 1, delete lines 36 and 37 and insert "sections"

Page 1, line 38, delete everything after "1" and insert a period

Page 1, delete lines 39 to 42

And when so amended the bill do pass and be placed on the Consent Cal-

endar. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 1390: A bill for an act relating to investments; legal investments for police and firefighter's relief associations; amending Minnesota Statutes 1982, section 69.775; and Minnesota Statutes 1983 Supplement, section 69.77, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, after line 25, insert:

- "Sec. 3. Minnesota Statutes 1983 Supplement, section 352.113, subdivision 2, is amended to read:
- Subd. 2. [APPLICATION; ACCRUAL OF BENEFITS.] An employee making claim for a total and permanent disability benefit shall file a written application therefor in the office of the system in a form and manner prescribed by the executive director. The benefit shall begin to accrue 90 days the day following the commencement of disability or the day following the last day paid whichever is later but in no event earlier than 60 days prior to the date the application is filed with the director.
- Sec. 4. Minnesota Statutes 1982, section 352.113, subdivision 3, is amended to read:
- Subd. 3. [COMPUTATION OF BENEFITS.] The total and permanent disability benefit shall be computed in the manner provided in section 352.115. The disability benefit shall be the normal annuity without reduction for each month the employee is under age 65 at the time of becoming disabled. A disabled employee may elect to receive the normal disability benefit or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to the commencement of payment of the disability benefit and shall be effective 30 days after receipt of the election or the date on which the disability begins to accrue as provided in subdivision 2, whichever occurs later. Upon becoming effective, the optional annuity shall begin to accrue on the same date as provided for the disability benefit.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 352.115, subdivision 8, is amended to read:
- Subd. 8. [ACCRUAL OF ANNUITY.] State employees shall make application for an annuity but such application shall not be made more than 60 days prior to the time the employee is eligible to retire by reason of both age and service requirements. If the director determines an applicant for annuity has fulfilled all the requirements of the law to entitle him to an annuity, he shall authorize payment thereof in accordance with the provisions of this chapter and payment shall be made pursuant to this authorization. An annuity shall begin to accrue no earlier than 60 days prior to the date the application is filed with the director except that if an optional annuity as provided in section 352.116, subdivision 3 is selected the annuity shall begin to accrue 30 days after the application is filed with the director, but in no event prior to the day

following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

- Sec. 6. Minnesota Statutes 1982, section 352D.02, is amended by adding a subdivision to read:
- Subd. 1b. An employee covered by the regular plan who is subsequently employed as a permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature may elect to transfer accumulated employee and matching employer contributions, as provided in section 352D.03.
- Sec. 7. Minnesota Statutes 1982, section 353.34, is amended by adding a subdivision to read:
- Subd. 3a. [DEFERRED ANNUITY; CERTAIN HOSPITAL EMPLOY-EES.] Any member employed by a public hospital, as defined in section 355.71, subdivision 3, who has at least five years of allowable service credit on the date the public hospital is taken over by a private corporation or organization, may elect to receive a deferred annuity pursuant to subdivision 3 notwithstanding the length of service requirement contained therein.
- Sec. 8. Minnesota Statutes 1982, section 354.62, subdivision 2, is amended to read:
- Subd. 2. [INDIVIDUAL ELECTION.] Each member of the teachers retirement association may elect to participate in the variable annuity division by filing a written notice with the board of trustees on forms provided by the board.
- (1) Employee variable annuity contributions to the variable annuity division shall be pursuant to the option available in section 354.44, subdivision 7, the employee variable annuity contributions shall be an amount equal to two percent of the salary of every coordinated member and four percent of the salary of every basic member one-half of the employee rates specified in section 354.42, subdivision 2.
- (2) Employer variable annuity contributions shall be an amount equal to the employee variable annuity contributions provided in clause (1). The deficiency in equal employer variable annuity contributions which shall exist prior to July 1, 1975 shall be recovered from the additional employer contributions made prior to July 1, 1975 pursuant to section 354.42, subdivision 5.
 - (3) There shall be provided for members participating in the variable an-

nuity division a separate account for each member which will show his variable account accumulations as defined in section 354.05, subdivision 23. The board shall establish such other accounts in the variable annuity division as it deems necessary for the operation of this provision.

- (4) After June 30, 1974 there shall be no new participants in this program.
- (5) Effective July 1, 1978, no future employee and employer contributions shall be credited to any accounts in the variable annuity division unless the member elects continued participation in the variable annuity division pursuant to section 354.621.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 356.61, is amended to read:

. 356.61 [LIMITATION ON PUBLIC EMPLOYEE RETIREMENT ANNUITIES.]

Notwithstanding any provision of law, bylaws, articles of incorporation, retirement and disability allowance plan agreements or retirement plan contracts to the contrary, no person who has pension or retirement coverage by a public pension plan shall be entitled to receive a monthly retirement annuity or disability benefit which, at the time of commencement of the retirement annuity or disability benefit, exceeds the lesser of:

- (a) the amount of the final monthly salary of the person; or
- (b) one-twelfth of the amount of the annual benefit permitted by the terms of section 415 of the Internal Revenue Code with respect to a participant in a plan qualified under section 401(a) of the Internal Revenue Code, as amended through December 31, 1982.

The benefit limitation of clause (b) is to be determined on the date the benefit is initially payable or on the date the employee terminated employment, if earlier. The benefit limitation on any date is the benefit limitation for the limitation year in which the date occurs. The limitations apply only to the annual benefit which is derived from employer contributions. Mandatory and voluntary employee contributions, if any, are treated as a separate defined contribution plan maintained by the employer which is subject to the limitations placed on annual additions to defined contribution plans.

The maximum annual benefit of clause (b) for any limitation year is the lesser of (1) or (2) below:

- (1) A dollar limitation of \$90,000, adjusted as of January 1 of each calendar year to the dollar limitation as determined for that year by the commissioner of Internal Revenue. The amount determined for any year will apply to limitation years ending with or within that calendar year.
- (2) A compensation limitation of 100 percent of the average of compensation paid or made available to the participant by the employer during those three consecutive calendar years of employment, or actual number of consecutive calendar years of employment if employed less than three consecutive years, which give the highest average. Compensation means any compensation which is includable in the employee's gross income.

A benefit shall be deemed not to exceed the maximum benefit limitation of clause (b) if:

- (1) the retirement benefits payable under the plan and under any other defined benefit plans of the employer do not exceed the \$10,000 limit set in section 415 (b)(4) of the Internal Revenue Code for the plan year, or for any prior plan year, and
- (2) the employer has not at any time maintained a defined contribution plan in which the employee participated.

A public pension plan is any Minnesota public pension plan or fund which provides pension or retirement coverage for public employees other than volunteer firefighters, including any plan or fund enumerated in sections 356.20, subdivision 2, or 356.30, subdivision 3, any local police or firefighter's relief association to which section 69.77 applies, or any retirement or pension plan or fund, including a supplemental retirement plan or fund, established, maintained or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments or from other public sources. Final monthly salary is the hourly rate of compensation received by the person on account of the most recent public employment for the final pay period occurring prior to retirement multiplied by 174.

The figure for the monthly retirement annuity or disability benefit to be used for the calculation of this limitation shall not include any reduction or adjustment required for retirement prior to the normal retirement age or required for the election of an optional annuity.

If the figure for the monthly retirement annuity or disability benefit exceeds the limit contained in this section, the annuity or benefit payable shall be reduced appropriately.

The managing board of each public pension plan from which a retirement annuity or disability benefit is payable shall, at the time that the retirement annuity or disability benefit commences, contact all other public pension plans to determine whether or not the recipient of the retirement annuity or disability benefit is also receiving or is entitled to receive a retirement annuity or disability benefit from any other public pension plan. If a person is entitled to receive or is receiving a retirement annuity or disability benefit from more than one public pension plan, all retirement annuities or disability benefits from all public pension plans shall be totalled in determining whether or not the limitation shall apply; provided however, that the limitation shall be based on the highest final monthly salary received by the individual from any plan. Any reduction in the amount of the retirement annuity or disability benefit required pursuant to this section shall be made by the public pension plan which provided retirement coverage for the most recent period of service.

- Sec. 10. Minnesota Statutes 1982, section 422A.18, subdivision 3, is amended to read:
- Subd. 3. Payment of any disability allowance authorized by sections 422A.01 to 422A.25, shall commence five three months after date of application provided that the applicant has not been restored to duty. Such payment shall be retroactive to date of application and shall continue throughout the full period of the disability subject to the same optional selections as are provided for service allowances; provided that when a disability beneficiary

shall have attained the minimum age for retirement on a service allowance the disability allowance shall be discontinued only as provided by the terms of the option selected. Any employee eligible for a disability allowance who is also entitled to an allowance under a workers' compensation act and/or resumes a gainful occupation shall be entitled to receive during the period of such compensation only that portion of the retirement allowance provided by this act which when added to such additional compensation does not exceed the salary of the employee at the time of disability.

Sec. 11. [423A.20] [VESTING UPON LAYOFF.]

Notwithstanding any general or special law to the contrary, if a member of a salaried firefighters relief association with ten or more years of service is laid off and replaced with a volunteer firefighter, the member shall be entitled to receive a pro rata monthly benefit. For purposes of this section, 'laid off' means terminated from employment with the fire department because of a shortage of funds or curtailment of service or for any other reason not reflecting discredit on the member beyond the member's control.

The retirement benefit is to commence at the later of either the minimum age for retirement or the date at which the member would have accumulated the minimum number of years of service for retirement if the member had remained on duty.

The pro rata benefit shall be calculated by multiplying the amount of the benefit payable to a member who met the minimum age and years of service requirements for a normal pension by the ratio of the laid off member's actual years of service to the minimum years of service required for retirement. The initial benefit payable shall be subject to the same post retirement adjustments as other benefits payable from the relief association.

- Sec. 12. Minnesota Statutes 1982, section 424.24, subdivision 2, is amended to read:
- Subd. 2. (a) "Surviving spouse" means a person who became the member's legally married spouse during or prior to the time the member was on the payroll of any such fire department as a firefighter, and remained such continuously after their marriage until the member's death, without having been granted a marriage dissolution or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to the member for at least three years one year prior to the member's retirement from the fire department; and who, in any case, was residing with the member at the time of the member's death. No temporary absence for purposes of business, health or pleasure shall constitute a change of residence for purposes of this clause.
- (b) "Surviving child" means any child of the member living while the deceased member was on the payroll of the fire department, or who were born within nine months after the deceased member was withdrawn from the payroll of the fire department.

Sec. 13. [BUHL POLICE RETIREMENT BENEFITS.]

Notwithstanding the limitation contained in Minnesota Statutes, section 423.55 or any other law, the bylaws of the Buhl police relief association may be amended to provide for the payment of a service pension equal to 65

percent of the monthly base pay of a member at the time of retirement from the police department. All other provisions of section 423.55 shall apply to the extent not inconsistent with this section.

Sec. 14. Laws 1981, chapter 68, section 43, is amended to read:

Sec. 43. [BUHL POLICE SURVIVOR BENEFITS.]

Notwithstanding any provision of any general or special law to the contrary, the Buhl police relief association may provide in its bylaws or articles of incorporation for the payment of survivor benefits to the surviving spouse of a deceased member, or the surviving dependent children equally if there be no surviving spouse, in an amount equal to 50 65 percent of the pension the deceased member was receiving on the date of death. The service pension is to be based on one-half of the total pay of the previous 12 month period. Payment shall continue until the surviving spouse remarries or until the dependent children reach the age of 18 years, or 22 years if a full-time student. In the event of the death of a member prior to retirement, dependent children shall receive survivor benefits in the amount of \$125 per month per child, payable until age 18 or age 22 if a full-time student.

Sec. 15. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]

Notwithstanding any general or special law to the contrary, in addition to other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$10 per month. Increases may be made retroactive to January 1, 1984.

- Sec. 16. Laws 1947, chapter 43, section 23, as amended by Laws 1949, chapter 154, section 5, Laws 1951, chapter 43, section 4, Laws 1967, chapter 807, section 2, and Laws 1975, chapter 389, section 1, is amended to read:
- Sec. 23. [FARIBAULT, CITY OF; FIREMEN'S RELIEF; RETIRE-MENT AND PENSIONS; PAYMENTS UPON DEATH OF MEMBER.] When a service pensioner, disability pensioner, or deferred pensioner, or an active member of such relief association dies, leaving:
- (a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least three years one year before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for the purposes of this section.
- (b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and said child or children shall be entitled to a pension as follows:
- (1) To such widow a monthly pension equal to 30 percent of the current monthly salary of a firefighter per month for her natural life, and a pension

equal to ten percent of the current monthly salary of a firefighter per month for each child under eighteen years of age, or under the age of 21 years if unmarried and a full-time student. If such widow shall remarry, then her pension shall cease and terminate as of the date of her said marriage.

- (2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension, or pensions, in such amount as the board of trustees of such association shall deem necessary to properly support such child or children until they reach the age of eighteen years or, if unmarried and a full-time student, the age of 21 years.
- (3) In no event shall the survivor's pension or pensions exceed 50 percent of the current monthly salary of a firefighter per month.
- (c) The amendments to subsection (b) adopted by the 1975 session of the legislature shall not apply to widows and children who began drawing pensions before July 1, 1975, although such widows and children shall continue to draw the pensions to which they are entitled under the law as it existed before the adoption of said amendments.
 - Sec. 17. Laws 1963, chapter 643, section 20, is amended to read:
- Sec. 20. When a service pensioner, disability pensioner, or deferred pensioner, or an active member of the firemen's relief association in Albert Lea dies leaving:
- (a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least three years one year before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for purposes of this section.
- (b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and such child or children shall be entitled to a pension as follows:
- (1) To such widow a monthly pension equal to 30 percent of the monthly wages or salary of the deceased member as of the date of death for her natural life and an additional monthly pension equal to ten percent of said monthly wages or salary for each child of such member under 18 years of age, all thereafter adjusted according to wage increases or decreases granted to active firemen. However, the total amount of the pension payable per month to the widow and children shall not exceed fifty percent of the monthly wages or salary of such member at the time of death. If the widow shall remarry, then her pension, excluding the amounts paid for children, shall cease and terminate as of the date of her remarriage. Such amounts paid for a child or children may be increased after remarriage of the widow providing such increased amounts shall be based upon need of the children upon written findings signed by the board of trustees, and shall not in any event exceed for the total amount paid for the children a sum equal to 50 percent of the monthly wages or salary of such member at the time of death, all thereafter

adjusted to wage increases or decreases granted to active firemen.

- (2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension or pensions equal to, but not to exceed for the children of any one deceased member, the sum of 50 percent of the monthly wages or salary of such member at the time of death, all thereafter adjusted to wage increases or decreases granted to active firemen.
- Sec. 18. Laws 1973, chapter 359, section 5, subdivision 2, is amended to read:
- Subd. 2. A widow must have been the fireman's legally married wife living with him at the time of his death and must have been married to him for a period of at least one year while or prior to the time he was an active member of the fire department. In the case the deceased fireman is retired, the widow must have been married to him at least three years one year before his retirement.
 - Sec. 19. Laws 1973, chapter 432, section 4, is amended to read:
- Sec. 4. [USES OF PENSION FUND.] The policemen's pension fund shall be used only for the payment of:
 - (a) service, disability, or dependency pensions; and
 - (b) salaries, in an amount not in excess of \$1,000 per year;
- (e) expenses of officers and employees of the association in connection with the protection of the fund; and
- (d) all expenses of operating and maintaining the association administrative expenses authorized by Minnesota Statutes, section 69.80.
- Sec. 20. Laws 1977, chapter 275, section 1, is amended by adding a subdivision to read:
- Subd. 1a. [POSTRETIREMENT ADJUSTMENT.] A member who retires or who has retired from the Crookston police department and who receives or will receive a service pension from the relief association shall receive an annual automatic postretirement adjustment upon attaining the age of 55 years or on January 1 following the effective date of this subdivision, whichever occurs later. The adjustment shall be determined by the board of trustees on or before December 1 annually and shall accrue each year as of the January 1 following determination. The adjustment shall be first payable with the service pension payment made for January. Each adjustment shall be based on the percentage increase in the salary payable to a top grade patrol officer during the prior year. The percentage increase in the salary shall be applied to the amount of service pension payable to the member for the month immediately prior to the month in which the determination is made. The percentage increase shall not exceed 3.5 percent in any year and any increase in the salary of a top grade patrol officer in excess of 3.5 percent shall not carry over to or be used to calculate the increase for a retired member in any succeeding year.
- Sec. 21. [RAMSEY COUNTY; PUBLIC EMPLOYEES' RETIREMENT BENEFITS FOR SHERIFF'S PERSONNEL.]

An employee of the Ramsey county sheriff's department in the position of

radio dispatcher, who is a member of the public employees police and fire fund and who was employed by the department before January 1, 1970 in a position that becomes covered by the police and fire fund membership after December 31, 1969 may receive allowable service credit in the police and fire fund for prior service by paying into the fund before December 31, 1984, the difference between the employee, employer and employer additional contributions actually paid, and the employee, employer and employer additional contributions that would have been paid under applicable law if the employee had been in the police and fire fund before January 1, 1970, together with six percent compound interest from the time the deductions would have been made to time of payment. If an employee makes payment in accord with this section, allowable service credit in the general fund with respect to this prior service is eliminated and the executive director shall transfer the employee's account with respect to this service from the general to the police and fire fund. Ramsey county may assume the obligation for additional payments, with interest, with respect to each employee who elects to pay the employee contributions and interest authorized by this section.

Sec. 22. [PURCHASE OF SERVICE CREDIT.]

Notwithstanding any law to the contrary, a former employee of the senate, who was also employed by the city of Saint Paul, may purchase prior service credit from the Minnesota state retirement system for the periods of employment by the senate between January 1, 1971, and December 31, 1974.

The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amounts and manner of payment for the purchase of service credit.

Sec. 23. [DISABILITY OPTION BENEFIT.]

Notwithstanding the requirements of Minnesota Statutes, chapter 352, the surviving spouse of a deceased member of the Minnesota state retirement system who filed an application for a survivor's disability option benefit, but who died before the date the disability benefit became payable and who has not taken a refund of the retirement contributions shall be paid the joint and survivor's disability option benefit selected, computed according to Minnesota Statutes, section 352.113, subdivision 3, commencing within 60 days of the effective date of this act and retroactive to the date of death.

Sec. 24. [ANNUITIES OF CERTAIN MILITARY AFFAIRS DEPARTMENT PERSONNEL.]

Any employee covered under the provisions of Minnesota Statutes, section 352.85, providing special retirement coverage for military affairs department personnel, who attained the age of 60 after February 1, 1983, and who terminates covered employment prior to the effective date of this act shall be entitled, upon application, to a retirement annuity computed in accordance with section 352.115, subdivisions 2 and 3, without any reduction for early retirement pursuant to section 352.116, subdivision 1; provided, however, that any additional employee and employer contributions required by section 352.85, subdivision 3, to finance this special retirement coverage which were not paid during the period of coverage under the plan must be paid prior to receiving an annuity.

Sec. 25. [PURCHASE OF PRIOR SERVICE CREDIT.]

Subdivision 1. Notwithstanding any law to the contrary, a person who was

employed by the St. Paul bureau of health from October 1948 to June 1955, including time spent on leave of absence for military service, and who contributed to the bureau of health retirement plan from April 1949 to April 1953, and who was reemployed by the city of St. Paul in the department of community services, division of public health on October 18, 1971, may purchase service credit for the period from October 1948 to June 1955 from the public employees retirement association for which that person has not previously received service credit.

Subd. 2. The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amount and manner of payment for the purchase of service credit authorized by subdivision 1, except that the authority to make a lump sum payment or to make an agreement to make installments expires July 1, 1984.

Sec. 26. [OWATONNA CITY HOSPITAL EMPLOYEES.]

Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Owatonna city hospital on the date the hospital was taken over by a private corporation or organization shall be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest thereon at the rate of six percent per annum. If an employee has previously received a refund of employee contributions, only the employer contributions plus the total interest shall be refunded.

Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, in lieu of the refund, a deferred annuity pursuant to Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained therein. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.

Sec. 27. [ST. PAUL BUREAU OF HEALTH PERSONNEL.]

An employee of the St. Paul bureau of health who exercised the option to retire with benefits calculated pursuant to the law governing bureau of health pensions as authorized by Laws 1973, chapter 767, section 4, may, within 60 days after the effective date of this section, revoke the option by giving notice of revocation to the executive director of the public employees retirement association. Effective upon the giving of notice, the employee shall receive service credit in the basic plan of the public employees retirement association as if the employee had been a member of the association during the employee's entire period of service with the bureau of health.

Sec. 28. [WEST ST. PAUL FIREFIGHTER'S BYLAW AMENDMENT.]

The West St. Paul Firefighter's Relief Association may amend Article XIX of their bylaws to reduce from three years to one year the period of marriage required in order to qualify a surviving spouse for survivor benefits.

Sec. 29. [AMENDMENT OF ARTICLES.]

In accordance with the provisions of Minnesota Statutes, section 354A.12, subdivision 4, approval is hereby granted for an amendment to the articles of

incorporation of the Minneapolis Teachers' Retirement Fund Association with respect to lump sum post retirement adjustments payable to retirees or beneficiaries. The amendment may reduce from five to three years the minimum period during which a recipient must have been receiving an annuity or benefits in order to be eligible for an adjustment, increase from one-half of one percent to one percent the percentage of the asset value of the fund available for distribution, and to give the board of trustees discretion to reduce or eliminate the post retirement adjustment in any fiscal year or set an eligibility period longer than three years as a prerequisite to eligibility for an adjustment.

Sec. 30. [TRANSFER OF FUNDS.]

An amount equal to one-fourth of one percent of the salary of each member electing to participate in the variable annuity division pursuant to Minnesota Statutes, section 354.62, subdivision 2, which salary was paid during the period from July 1, 1979, through June 30, 1984, plus interest which would have been earned if the contributions would have been credited to the member's variable account, shall be transferred to the variable annuity division and credited to the appropriate participating member's account on June 30, 1984.

Sec. 31. [REPEALER.]

Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3, are repealed.

Sec. 32. [EFFECTIVE DATE.]

Section 11 is effective retroactively to July 1, 1981. Section 23 is effective for deaths occurring after July 1, 1982. Section 7 is effective retroactively to June 30, 1983. Sections 8 and 30 are effective July 1, 1984. Sections 13, 14, 15, 16, 17, 19, 20, 21, and 28 are effective upon approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021. In the case of section 18, the appropriate governing body is the Red Wing city council. The remaining sections are effective the day following final enactment. Sections 26 and 27 are effective the day following final enactment. Refunds shall be paid or options exercised and repayments of refunds made pursuant to section 26 prior to July 1, 1984."

Delete the title and insert:

"A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making conforming changes in benefit calculations; amending Minnesota Statutes 1982, sections 69.775; 352.113, subdivision 3; 352D.02, by adding a subdivision; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; and 424.24, subdivision 2; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; and Laws 1981, chapter 68, section 43; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978,

chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2029: A bill for an act relating to state government; establishing the world trade center board and fixing its duties; transferring functions from the department of agriculture; amending Minnesota Statutes 1982, section 17.03, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 44A; repealing Minnesota Statutes 1983 Supplement, section 17.106.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, delete "11" and insert "nine"

Page 2, line 4, delete "who are not legislators" and delete "initially"

Page 2, line 6, delete "Thereafter,"

Page 2, delete line 7

Page 2, line 8, delete everything before "A"

Page 2, delete lines 10 to 19

Page 2, line 22, delete "who are not legislators"

Page 2, delete lines 24 and 25

Page 2, line 33, delete "without" and insert "within the limit set by sections 15A.081, subdivision 1, and"

Page 2, line 34, delete "regard to section"

Page 3, line 2, delete "7" and insert "8"

Page 3, line 5, before "employees" insert "unclassified"

Page 3, line 9, after the period, insert "All employees are in the state unclassified employees retirement program under chapter 352D."

Page 3, after line 24, insert:

"Sec. 7. [44A.07] [WORLD TRADE CENTER COSTS.]

If a world trade center project of the kind contemplated by Laws 1983, chapter 301, section 29, is carried out, the participation of the state government is limited as provided in this section.

- (a) The state shall not own space in the center.
- (b) The state shall not rent more than ten percent of the gross space in the center.
 - (c) The state shall not incur debt to assist the project.
 - (d) The state shall not provide a special property tax classification that

would give the center a more favorable property tax treatment than other office buildings."

Pages 4 and 5, delete sections 8 to 10 and insert:

"Sec. 9. [TRANSITION.]

All money appropriated to the department of agriculture for the world trade center council shall be transferred to the world trade center board created by this act, and is appropriated to the board for board purposes. The complement of the department of agriculture is reduced as follows: by three positions, effective July 1, 1984; by three positions, effective January 1, 1985; and by three positions effective July 1, 1985.

Sec. 10. Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERED EMPLOYEES COVERAGE.] The following employees, if they are in the unclassified service of the state and are eligible for coverage under the Minnesota state retirement system, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

- (1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,
- (2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,
- (3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,
- (4) Any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,
- (5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

- (6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,
- (7) The clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,
- (8) The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare, and
- (9) Any employee whose principal employment is at the state ceremonial house, and
 - (10) Any employee of the world trade center board."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "transferring" and insert "limiting state participation;"

Page 1, line 4, delete everything before "amending"

Page 1, line 5, delete everything after "Statutes" and insert "1983 Supplement, section 352D.02,"

Page 1, line 6, after "subdivision" insert "1"

Page 1, line 7, delete everything after "44A"

Page 1, line 8, delete everything before the period

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2084: A bill for an act relating to government operations; regulating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; and 116L.03, subdivision 6; repealing Minnesota Statutes 1982, section 15.62.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 4, delete the second "for" and insert "in"

Page 6, line 15, delete the comma

Page 9, delete section 10 and insert:

"Sec. 10. Minnesota Statutes 1983 Supplement, section 309.501, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them.

"Registered combined charitable organization" means an organization

- (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code of 1954, as amended through December 31, 1980 (hereinafter "Internal Revenue Code"), and to which contributions are deductible under section 170 of the Internal Revenue Code;
- (2) which secures funds for distribution to ten or more charitable agencies in a single, annual consolidated effort;
- (3) which is governed by a voluntary board of directors which represents the broad interests of the public;
- (4) which distributes at least 70 percent of its total eollected campaign income and revenue to the designated agencies it supports and expends no more than 30 percent of its total campaign income and revenue for management and general costs and fund raising costs;
- (5) and each designated agency supported by the recipient institution devotes substantially all of its activities directly to providing health, welfare, social, or other human services to individuals;
- (6) and each designated agency supported by the recipient institution provides health, welfare, social, or other human services, in the community and surrounding area in which the recipient institution's fund drive takes place; and
- (7) which has been registered with the commissioner of securities and real estate in the department of commerce in accordance with this section.
- "Campaign income" means income from the single, annual consolidated effort received by the charitable agency for distribution.
- "Charitable agency" means a governmental agency or an organization (1) which is tax exempt under section 501(c)3 of the Internal Revenue Code; (2) to which contributions are deductible under section 170 of the Internal Revenue Code; and (3) which is in compliance with the provisions of this chapter.
- Sec. 11. Minnesota Statutes 1982, section 15.62, subdivision 2, is amended to read:
- Subd. 2. A public employee who qualifies as a member of the United States Olympic team for athletic competition on the world, Pan American or olympic level, in a sport contested in either Pan American or olympic competitions in a sport sanctioned by the International Olympic Committee, shall be granted a leave of absence without loss of pay or other benefits or rights for the purpose of preparing for and engaging in the competition. In no event shall the paid leave under this section exceed the period of the official Olympic training camp and Olympic competition combined or 90 calendar days a in an Olympic year, whichever is less."

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "changing the definition of registered combined charitable organization;"

Page 1, line 10, after "15.0593;" insert "15.62, subdivision 2;"

Page 1, line 13, delete "and"

Page 1, line 14, delete everything after the semicolon and insert "and 309.501, subdivision 1."

Page 1, delete line 15

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1736: A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 2, line 23, delete "3" and insert "2"

Page 2, line 27, delete everything before the period and insert "to provide cost-effective computing and technology related products and services to the educational programs of educational institutions and agencies"

Page 3, line 9, delete "1" and insert "2"

Page 3, line 16, after "MECC" insert "within the limits established for the commissioner of finance in section 15A.081, subdivision 1"

Page 3, line 19, after "power" insert "to form a subsidiary or"

Page 3, line 29, delete "1" and insert "2"

Page 4, line 3, after the period, insert "MECC shall annually report to the legislative commission on employee relations regarding its personnel structure, compensation plans, and all other issues related to its employees."

Page 4, delete line 13

Page 4, line 14, delete "system, and the"

Page 4, line 17, after the period, insert "For a period of 90 days after the effective date of this section, employees of the consortium who are members of the Minnesota state retirement system or the teachers retirement associa-

tion shall be entitled to transfer their accumulated employer and employee contributions, not including interest, from those funds to the state unclassified employees retirement program under chapter 352D. For purposes of coverage under section 352D.02, subdivision 1, MECC employees transferring under this section shall be considered to be unclassified employees of the state."

Page 9, after line 21, insert:

"Sec. 13. Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERED EMPLOYEES.] The following employees, if they are in the unclassified service of the state and are eligible for coverage under the Minnesota state retirement system, shall participate in the unclassified program unless an employee gives notice to the executive director of the state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the regular employee plan. For the purposes of this chapter, an employee who does not file notice with the executive director shall be deemed to have exercised the option to participate in the unclassified plan.

- (1) Any employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general or the state board of investment,
- (2) The head of any department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or any employee enumerated in sections 15A.081, subdivision 1 or 15A.083, subdivision 4,
- (3) Any permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system,
- (4) Any person employed in a position established pursuant to section 43A.08, subdivision 1, clause (c), or subdivision 1a or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level,
- (5) The chairman, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,
- (6) The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board; provided that upon initial designation of all positions provided for in this clause, no

further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system,

- (7) The clerk of the appellate courts appointed pursuant to Article VI, Section 2, of the Constitution of the state of Minnesota,
- (8) The chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of welfare, and
- (9) Any employee whose principal employment is at the state ceremonial house, and
 - (10) Employees of the Minnesota educational computing corporation."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "2;" insert "352D.02, subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 1216: A bill for an act relating to taxation; exempting petroleum products used in certain improvements to agricultural land for purposes of the sales tax; prohibiting certain retroactive imposition of tax, penalty, and interest; amending Minnesota Statutes 1982, section 297A.25, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred
- S.F. No. 396: A bill for an act relating to taxation; extending Class 3 property to certain property owned by certain fraternal beneficiary societies or associations for community service; amending Minnesota Statutes 1982, section 273.13, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 4, is amended to read:
- Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, shall constitute class 3 and shall be valued and assessed at 33-1/3 percent of the market value thereof, except as provided in clause (b). All buildings and structures assessed as personal property and situated upon

land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall be assessed based upon the use made of the building or structure. Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use. Class 3 shall also include commercial use real property used exclusively for recreational purposes in conjunction with class 3 property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 200 days in the year preceding the year of assessment and is located within two miles of the class 3 property with which it is used. If approved by the governing body of the home rule or statutory city or town in which the property is located, class 3 shall also include real property up to a total of one acre owned by a fraternal beneficiary society or an association for community service; provided that any portion of the property that is used as an on-sale liquor establishment licensed under chapter 340, a restaurant open to the public, a retail store, an insurance business, or office or other space leased or rented for periods of one month or more to a lessee who conducts a for-profit enterprise on the premises, shall be assessed as class 4c property.

- (b) Agricultural land which is classified as class 3 shall be assessed at 19 percent of its market value. Real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent of its market value. Real property owned by fraternal beneficiary societies or associations for community services which is classified as class 3 shall be assessed at 21 percent of its market value.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:
- Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:
- (a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:
- (i) candy and candy products except when sold for fundraising purposes by a nonprofit organization that provides educational and social activities for young people primarily aged 18 and under;
 - (ii) carbonated beverages, beverages commonly referred to as soft drinks

containing less than 15 percent fruit juice, or bottled water other than noncarbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;

- (b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;
- (c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;
- (d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;
- (g) The gross receipts from the sale of clothing and wearing apparel except the following:
 - (i) all articles commonly or commercially known as jewelry, whether real

or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

- (ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.
- (iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.
- (iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.
- (h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;
- (i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising

contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

- (j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
- (k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;
- (1) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies,

sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

- (m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.
- (n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.
- (o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.
- (p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
 - (g) The gross receipts from the sale of caskets and burial vaults;
- (r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.
- (s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.
- (t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall

not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

- (u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.
- (v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.
- (w) The gross receipt from the sale of residential heating fuels in the following manner:
- (i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;
- (ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;
- (iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.
- (x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).
- (y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:
- (i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and
 - (ii) the tangible personal property which is sold to or stored, used or con-

sumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "exempting sales of candy by nonprofit youth organizations from the sales tax;" and delete "1982, section" and insert "1983 Supplement, sections"

Page 1, line 6, after "4" insert "; and 297A.25, subdivision 1"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1606: A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development grants and loans to local units of government; amending Minnesota Statutes 1982, section 298.17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, strike "which shall become due and payable on"

Page 1, line 12, strike "May 1, 1924, and subsequent thereto, from" and insert "paid by"

Page 2, line 7, after "used" insert "(1)" and delete the new language

Page 2, line 8, delete the new language

Page 2, line 11, before the period, insert "or (2) to provide economic development loans or grants to businesses located within any such county, provided that the county board or an advisory group appointed by the county board to provide recommendations on economic development shall make recommendations to the iron range resources and rehabilitation board regarding the loans"

Page 2, line 13, strike ", beginning in 1981"

Amend the title as follows:

Page 1, delete line 4 and insert "loans and grants to businesses;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which

was referred

S.F. No. 2001: A bill for an act relating to health; requiring the commissioner to study and report to the legislature on wellness promotional efforts; amending Minnesota Statutes 1982, section 144.05, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 24, after "sector" insert "including local boards of health,"

Page 2, line 31, after "state" insert "and local"

Page 2, delete line 36 and insert:

"Sec. 2. [APPROPRIATION.]

There is appropriated \$50,000 from the general fund to the commissioner of health for purposes of this act.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Page 3, delete lines 1 to 3

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2002: A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "immediately upon" and insert " within 30 days of"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1907: A bill for an act relating to public welfare; setting eligibility criteria for community social services; appropriating money; amending Minnesota Statutes 1982, section 256E.03, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 12, after "Parents" insert "whose income is at or below 90

percent of the state median income and"

Page 2, line 25, before the period, insert ", subdivision 2"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1795: A bill for an act relating to public welfare; changing the formula for allocating federal title XX funds to counties; appropriating money; amending Minnesota Statutes 1982, section 256E.07, subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1982, section 256E.07, subdivision 3.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2102: A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; requiring autopsies on victims of sudden infant death syndrome; requiring the report of sudden infant death to the registrar of vital statistics; amending Minnesota Statutes 1982, sections 144.06; 144.07; 144.222; and 390.11.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 3, line 14, delete "or" and insert a comma and after "examiner" insert ", or personal physician"

Page 3, line 16, delete "The coroner or"

Page 3, delete lines 17 to 19

Page 3, line 20, delete "parents or guardian." and delete "the" and insert "an"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "144.06;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2144: A bill for an act relating to public welfare; authorizing the commissioner of public welfare to establish a special revenue account; expanding the commissioner's duties; appropriating money; amending Minne-

sota Statutes 1983 Supplement, section 256.01, subdivision 2.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2078: A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes; authorizing the establishment of facilities for the provision of supportive services; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; and 376.60; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 3 and 4, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1982, section 376.56, is amended to read:

[376.56] [TAX LEVY LEVIES AND BONDS.]

Subdivision 1. The county board of any county establishing or participating in establishing a nursing home, under the authority granted in section 376.55, shall may annually levy a tax in such the amount as is necessary to defray all or its proportion of the net costs of maintenance and operation of such the nursing home after taking into consideration payments received for care of patients residents, and in addition thereto a tax to repay the cost of acquiring such nursing home, and for the retirement of bonds issued for, establishing, equipping, furnishing, enlarging, or adding to a county nursing home, and to pay the principal of and interest on general obligation bonds issued by it for that purpose.

- Subd. 2. The proceeds of taxes for costs of maintenance and operation shall be paid by the county by which they are collected into a county nursing home fund, which, in the case of counties operating jointly, shall be kept in the treasury of the county in which the nursing home is located and shall be expended therefrom as provided in sections 376.55 to 376.66.
- Subd. 3. Any Bonds issued under the authority of sections 376.55 to 376.66 shall be known as county nursing home bonds and shall section 376.55, subdivision 3, may be general obligations of the county and shall may be issued and sold, and tax levies taxes levied for the their payment thereof made in accordance with the provisions of sections 475.53 to 475.72 and acts amendatory thereof and supplementary thereto chapter 475. No election shall be required to authorize the issuance of such bonds for the purpose of improving, remodeling, or replacing an existing nursing home without increase of the number of accommodations for residents. The revenues of the nursing home shall also be pledged for the payment of the bonds and interest and premium, if any, thereon. A portion of the proceeds may be deposited in the debt service fund for the issue, to capitalize interest and create a reserve for the purpose of reducing or eliminating the tax otherwise required by section 475.61 to be levied before issuing the bonds. The remaining proceeds from the sale of those the bonds and any surplus funds transferred pursuant to the

provisions of section 376.55, subdivision 3 shall be credited to and deposited in the county nursing home building fund by the county auditor and deposited to the credit of such fund by the county treasurer of the county in which the nursing home is located.

- Subd. 4. The county treasurer of the county in which the nursing home is located shall make payments out of the county nursing home fund and county nursing home building fund on properly authenticated vouchers of the county nursing home administrative board, as in sections 376.55 to 376.66 provided in sections 376.58 and 376.59. The county treasurer of each county issuing general obligation bonds pursuant to subdivision 3 shall pay such bonds and interest thereon from the county's debt service fund and shall be the custodian of net revenues transmitted by the administrative board for the payment of such bonds."
- Page 6, line 28, after the period, insert "The county nursing home administrative board may authorize a sum to pay incidental expenses of the nursing home in accordance with the provisions of section 375.16."
- Page 7, line 15, after the period, insert "The fiscal year for the nursing home, and the facility for supportive services if it is appropriate, shall be the reporting year designated by the commissioner of public welfare."

Amend the title as follows:

Page 1, line 3, after "homes" insert "and the issuance of general obligation bonds for such homes"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1877 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1877 1934

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1877 be amended as follows:

Page 1, line 23, delete "The" and insert "A"

- Page 1, line 23, after "zone" insert "which is located in a city of the third or fourth class"
- Page 3, line 11, after "reservation" insert "; except that, in the case of two or more cities seeking designation of an enterprise zone under a joint exercise of power pursuant to section 471.59, the minimum population required by this provision shall not exceed the sum of the populations of those cities"
 - Page 4, line 20, strike "103(b)(6)(0)" and insert "103(b)(0)(ii)"

Page 7, line 11, delete "shall" and insert "may"

Page 8, after line 11, insert

- "Sec. 7. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 7, is amended to read:
- Subd. 7. [LIMITATIONS; NUMBER OF DESIGNATIONS.] (a) In each of the years 1983 and 1984, the commissioner shall designate at least two but not more than five areas as enterprise zones. No designations shall be made after December 31, 1984.
- (b) No more than one area may be designated as an enterprise zone in any county, except that two areas may be designated in a county containing a city of the first class.
- (c) No more than one area two areas in a congressional district may be designated as an enterprise zone in any calendar year 1984.

This subdivision shall not apply to enterprise zones designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (2) or (3)."

Page 10, line 24, after "zone." insert "Notwithstanding paragraph (d), the credits provided by this paragraph may be provided to the businesses described in section 103(b)(6)(0)(i) of the Internal Revenue Code of 1954, as amended through December 31, 1983."

Page 11, line 17, after "8." insert "Any amount repaid to the municipality must be used by the municipality for economic development purposes."

Page 11, line 22, after "or" delete "a designated area under" and insert "of an area or areas designated pursuant to section 273.1314,"

Page 11, line 23, after "time." insert "Boundaries of a zone may not be amended to create noncontiguous subdivisions."

Page 12, line 1, after "the" insert "calendar"

Renumber the sections in sequence

Amend the title as follows

Page 1, line 8, after "6," insert "7,"

And when so amended H.F. No. 1877 will be identical to S.F. No. 1934, and further recommends that H.F. No. 1877 be given its second reading and substituted for S.F. No. 1934, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1944 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

H.F. No. S.F. No. 1944 CALENDAR CALENDAR

CALENDAR

CALENDAR

H.F. No. S.F. No. H.F. No. S.F. No. 1944

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1032 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1032

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1032 be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 429.011, subdivision 2a, is amended to read:
- Subd. 2a. "Municipality" also includes a county in the case of construction, reconstruction or improvement of a county state-aid highway or county highway as defined in section 160.02 including curbs and gutters and storm sewers outside of the boundaries of any eity and includes a county exercising its powers and duties under section 444.075, subdivision 1.
- Sec. 2. Minnesota Statutes 1982, section 429.061, subdivision 1, is amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. If a county proposes to assess within the boundaries of a city for a county state-aid highway or county highway, the resolution must include the portion of the cost proposed to be assessed within the city. The county shall forward the resolution to the city and it may not proceed with the assessment procedure under this section for property within the city unless the city council adopts a resolution approving the assessment. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality."

Delete the title and insert:

"A bill for an act relating to local improvements; permitting counties to assess for highway improvements within cities; amending Minnesota Statutes 1982, sections 429.011, subdivision 2a; and 429.061, subdivision 1."

And when so amended H.F. No. 1032 will be identical to S.F. No. 1000, and further recommends that H.F. No. 1032 be given its second reading and substituted for S.F. No. 1000, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1999 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1999 1660

CONSENT CALENDAR CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1999

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1999 be amended as follows:

Amend the title as follows:

Page 1, delete lines 3 to 5 and insert "application of the energy conserva-

tion program to all structures containing dwelling units"

Page 1, line 6, delete "purpose"

And when so amended H.F. No. 1999 will be identical to S.F. No. 1660, and further recommends that H.F. No. 1999 be given its second reading and substituted for S.F. No. 1660, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred the following appointment as reported in the Journal for March 8, 1984:

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT COMMISSIONER

Mark Dayton

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred

H.F. No. 1381: A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Local and Urban Government. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1995, 1877, 1780, 2030, 2065, 1940, 1968, 1912, 2018, 2075, 1708, 1386, 2131, 1796, 595, 1732, 2069, 2091, 1914, 1930, 1951, 2061, 2148, 1403, 2009, 2145, 1449, 1982, 1976, 1408, 1781, 1755, 1866, 2083, 1325, 1479, 2016, 1390, 2084, 396, 1606, 2002, 2102 and 2078 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1481, 1652, 1784, 1216, 1877, 1944, 1032 and 1999 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Novak moved that the name of Mr. Dieterich be added as a co-author to S.F. No. 648. The motion prevailed.

Mr. Knutson moved that the name of Mr. Ramstad be added as a co-author

to S.F. No. 1420. The motion prevailed.

Mr. Samuelson moved that the name of Mr. Solon be added as a co-author to S.F. No. 1795. The motion prevailed.

Mr. Novak moved that the names of Messrs. Moe, R.D. and Luther be added as co-authors to S.F. No. 1976. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2018. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Stumpf be added as a coauthor to S.F. No. 2068. The motion prevailed.

Mr. Taylor moved that the name of Mr. Wegscheid be added as a co-author to S.F. No. 2091. The motion prevailed.

Mr. Knaak moved that the name of Mr. Novak be added as a co-author to S.F. No. 2148. The motion prevailed.

Mr. Davis moved that S.F. No. 1722 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Finance. The motion prevailed.

Mr. Peterson, R.W. introduced—

Senate Resolution No. 98: A Senate resolution extending congratulations to the St. Francis High School Debate Team for winning the 1984 Minnesota State High School League debate tournament.

Referred to the Committee on Rules and Administration.

Mr. Peterson, R.W. introduced—

Senate Resolution No. 99: A Senate resolution congratulating the people of the city of Harris on the 100th anniversary of its settlement.

Referred to the Committee on Rules and Administration.

Mr. Knutson introduced—

Senate Resolution No. 100: A Senate resolution congratulating the Braves girls basketball team from Burnsville High School for winning second place in the 1984 Class AA Girls State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mr. Diessner introduced—

Senate Resolution No. 101: A Senate resolution congratulating the Park High School Cheerleaders for being selected to represent Minnesota at the international competition in Chicago on April 6-8, 1984.

Referred to the Committee on Rules and Administration.

Mr. Pogemiller moved that H.F. No. 1877, No. 3 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

Ms. Berglin moved that S.F. No. 2065, on General Orders, be stricken and

re-referred to the Committee on Finance. The motion prevailed.

CALENDAR

S.F. No. 1810: A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, D.C.	Spear
Benson	Frederickson	Langseth	Peterson, D.L.	Storm
Berglin	Freeman	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Brataas	Johnson, D.E.	McQuaid	Purfeerst	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Dahl	Jude	Merriam	Reichgott	Wegscheid
Davis	Kamrath	Moe, R. D.	Renneke	Willet
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 1760: A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Belanger Benson Bergliin Bernhagen Bertram Brataas Chmielewski Dahl Davis	Diessner Dieterich Frank Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath	Kroening Kronebusch Laidig Langseth Lantry Lessard Luther McQuaid Mehrkens Merriam Moe, R. D.	Olson Pehler Peterson,D.C. Peterson,D.L. Peterson,R.W. Petty Pogemiller Purfeerst Ramstad Reichgott Renneke	Sieloff Solon Spear Storm Stumpf Taylor Ulland Vega Waldorf Wegscheid Willet
			Renneke	
Dicklich	Knutson	Novak	Samuelson Schmitz	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 1927: A bill for an act relating to St. Louis County; establishing

positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Solon Kronebusch Adkins Diessner Spear Peterson, D.C. Dieterich Laidig Anderson Storm Belanger Langseth Peterson, D. L. Frank Lantry Peterson, R. W. Stumpf Frederickson Benson Petty Taylor Freeman Lessard Berglin Pogemiller Ulland Luther Hughes Bernhagen Purfeerst Vega McQuaid Bertram Isackson Waldorf Johnson, D.E. Ramstad Mehrkens Brataas Wegscheid Reichgott Merriam Chmielewski Jude Willet Renneke Moe, R. D. Dahi Kamrath Nelson Samuelson Davis Knaak DeCramer Knutson Novak Schmitz. Kroening Olson Sieloff Dicklich

So the bill passed and its title was agreed to.

S.F. No. 1770: A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Diessner Knutson Novak Schmitz Adkins Olson Sieloff Kroening Anderson Dieterich Kronebusch Pehler Solon Belanger Frank Frederick Laidie Peterson, D.C. Spear Benson Frederickson Langseth Peterson, D.L. Storm Berg Lantry Peterson, R.W. Stumpf Berglin Freeman Taylor Hughes Lessard Pettv Bernhagen Pogemiller Luther Ulland Isackson Brataas Johnson, D.E. Purfeerst Vega McQuaid Chmielewski Waldorf Johnson, D.J. Mehrkens Ramstad Dahl Merriam Reichgott Wegscheid Jude Davis Renneke Willet Moe, R. D. **DeCramer** Kamrath Nelson Samuelson Dicklich Knaak

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Luther reported that the committee had considered the following:

S.F. Nos. 97, 1843 and H.F. No. 1877, which the committee recommends

to pass.

S.F. No. 1656, which the committee recommends to pass, after the following motion:

Mr. Knaak moved to amend S.F. No. 1656 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 222.37, subdivision 1, is amended to read:

Subdivision 1. Any water power, telegraph, telephone, pneumatic tube, community antenna television, eable communications or electric light, heat, or power company may use public roads for the purpose of constructing, using, operating, and maintaining lines, subways, canals, or conduits, for their business, but such lines shall be so located as in no way to interfere with the safety and convenience of ordinary travel along or over the same; and, in the construction and maintenance of such line, subway, canal, or conduit, the company shall be subject to all reasonable regulations imposed by the governing body of any county, town or city in which such public road may be. Nothing herein shall be construed to grant to any person any rights for the maintenance of a telegraph, telephone, pneumatic tube, community antenna television system, eable communications system, or light, heat, or power system within the corporate limits of any city until such person shall have obtained the right to maintain such system within such city or for a period beyond that for which the right to operate such system is granted by such city."

Page 2, after line 5, insert:

"Sec. 3. [REPEALER.]

Minnesota Statutes 1983 Supplement, sections 238.22, 238.23, 238.24, 238.25, 238.26, 238.27, and 238.35 are repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "repealing the requirement that cable communications companies be provided access to certain buildings; repealing the authorization that cable communications companies may use existing utility easements;"

Page 1, line 5, delete "section" and insert "sections 227.37, subdivision 1 and" and before the period, insert "; repealing Minnesota Statutes 1983 Supplement, sections 238.22 to 238.27, and 238.35"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 19 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson Brataas Kamrath Mehrkens Storm Belanger Frederickson Knaak Peterson, D.L. Taylor Benson Isackson Kronebusch Renneke Ulland Johnson, D.E. Bernhagen Lessard Sieloff

Those who voted in the negative were:

Waldorf

Willet

Wegscheid

Adkins Dicklich Luther Petty Merriam Berglin Diessner Purfeerst Dieterich Nelson Samuelson Bertram Chmielewski Frank Novak Schmitz Dahl Freeman Pehler Solon Davis Jude Peterson.D.C. Spear Peterson, R.W. Stumpf DeCramer Lantry

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1628, which the committee reports progress, subject to the following motion:

Ms. Berglin moved to amend S.F. No. 1628 as follows:

Page 2, delete lines 6 to 25 and insert:

"Subd. 4. Unless otherwise provided in any town, municipal or county zoning regulation. A licensed day eare or residential facility serving from seven through sixteen persons or a licensed day care facility serving from 13 through 16 persons shall be considered a permitted multi-family residential use of property for purposes of zoning if otherwise permitted by local zoning regulations applicable to all uses within the district including requirements concerning population density and distribution. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no eonditions standards shall be imposed on the homes used which are more restrictive than those imposed on used with respect to other conditional uses or special uses of residential property in the same zones, unless such additional conditions are necessary to protect the health and safety of the residents of the facility. Nothing herein shall be construed to exclude or prohibit residential homes from single family zones if otherwise permitted by a local zoning regulation. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Residential facilities may not be excluded or prohibited from any zoning district or subjected to more restrictive standards than other uses within the district solely on the basis of the nature of the disabilities or other characteristics of the persons served by a facility.'

Page 4, delete lines 25 to 36 and insert:

"Subd. 8. [PERMITTED MULTI-FAMILY USE.] Unless otherwise provided in any town, municipal or county zoning regulation as authorized by this subdivision. A state licensed residential facility serving from 7 through 16 mentally retarded or physically handicapped persons or a licensed day care facility serving from 13 through 16 persons shall be considered a permitted multi-family residential use of property for purposes of zoning if otherwise permitted by local zoning regulations applicable to all uses within the district including requirements concerning population density and distribution. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of a facility, provided that no conditions standards shall be imposed on the homes used which are more restrictive than those imposed on used with respect to other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the residents of the residential facility for the mentally retarded or

the physically handicapped. Nothing herein shall be construed to exclude or prohibit residential homes for the mentally retarded or physically handicapped from single family zones if otherwise permitted by a local zoning regulation. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Residential facilities may not be excluded or prhibited from any zoning district or subjected to more restrictive standards than other uses within the district solely on the basis of the nature of the disabilities or other characteristics of the persons served by a facility."

Page 5, delete lines 1 to 11

The motion prevailed. So the amendment was adopted.

S. F. No. 1628 was then progressed.

S.F. No. 1750, which the committee recommends to pass with the following amendments offered by Mr. Sieloff:

Mr. Sieloff moved to amend S.F. No. 1750 as follows:

Page 12, after line 20, insert:

"Sec. 13, [345.25] [BONDS ISSUED BY RELIGIOUS ORGANIZATIONS.]

Bonds issued by religious organizations are exempt from sections 345.31 to 345.60 and are not otherwise subject to escheat."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 27, before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 345"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff then moved to amend S.F. No. 1750, as follows:

Page 13, lines 13 to 16, delete the underscored text

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Wegscheid moved that S.F. No. 1419 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Finance. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Bernhagen introduced-

S.F. No. 2174: A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Bernhagen introduced-

S.F. No. 2175: A bill for an act relating to taxation; providing for timely payment of certain withholding income taxes; amending Minnesota Statutes 1982, section 290.92, subdivision 6, as amended.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bernhagen introduced-

S.F. No. 2176: A bill for an act relating to taxation; sales; exempting sales by certain organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty, Dicklich, Ms. Berglin and Mr. Storm introduced—

S.F. No. 2177: A bill for an act relating to public welfare; requiring licensure for adult day care facilities and supportive living residences; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and 6, and by adding a subdivision; 245.791; and 245.802, subdivision 1, and by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Petty, Merriam and Luther introduced-

S.F. No. 2178: A resolution memorializing the United States Environmental Protection Agency to adopt rules for a ban on leaded gasoline, and memorializing the Congress of the United States to enact legislation either prohibiting leaded gasoline or allowing the states to prohibit it.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Stumpf introduced-

S.F. No. 2179: A bill for an act relating to local government; changing restrictions on filing and recording certain conveyances; amending Minnesota Statutes 1982, section 462.358, subdivision 4b.

Referred to the Committee on Local and Urban Government.

Ms. Reichgott, Messrs. Dahl, Sieloff and Knutson introduced-

S.F. No. 2180: A bill for an act relating to taxation; providing that certain income tax deductions for contributions may be carried forward; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Jude introduced-

S.F. No. 2181: A bill for an act relating to public utilities; providing resi-

dential telephone subscribers protection from unwanted commercial solicitation; proposing new law coded in Minnesota Statutes, chapter 237.

Referred to the Committee on Public Utilities and State Regulated Industries.

Mr. Dicklich introduced-

S.F. No. 2182: A bill for an act relating to public employees; permitting certain compensation arrangements for certain local government employees; amending Minnesota Statutes 1982, section 471.615.

Referred to the Committee on Governmental Operations.

Mr. Merriam introduced-

S.F. No. 2183: A bill for an act relating to taxation; extending availability of reduced assessment classifications for certain housing; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivisions 17, 17b, and 17c.

Referred to the Committee on Taxes and Tax Laws.

Mr. Samuelson introduced—

S.F. No. 2184: A bill for an act relating to agriculture; milk quality standards; refining procedures and deadlines for investment reimbursement; amending Minnesota Statutes 1983 Supplement, section 32.417.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Pogemiller introduced-

S.F. No. 2185: A bill for an act relating to energy; simplifying hydropower lease procedures; amending Minnesota Statutes 1982, sections 105.482, subdivision 8; 272.02, by adding a subdivision; 273.19, by adding a subdivision; and 295.44, subdivision 1; repealing Minnesota Statutes 1982, section 295.44, subdivisions 2, 3, and 4.

Referred to the Committee on Energy and Housing.

Mr. Ulland introduced—

S.F. No. 2186: A bill for an act relating to taxation; providing an income tax deduction for the cost of household help; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, R.W. introduced-

S.F. No. 2187: A bill for an act relating to towns; permitting towns to make charitable contributions; amending Minnesota Statutes 1982, section 365.10.

Referred to the Committee on Local and Urban Government.

Mr. Peterson, R.W. introduced—

S.F. No. 2188: A bill for an act relating to workers' compensation; providing coverage for ambulance drivers and attendants; amending Minnesota

Statutes 1983 Supplement, section 176.011, subdivision 9.

Referred to the Committee on Employment.

Ms. Peterson, D.C. introduced-

S.F. No. 2189: A bill for an act relating to marriage dissolution; allowing for a division of marital assets upon commencement of a legal separation or temporary order; amending Minnesota Statutes 1982, section 518.58.

Referred to the Committee on Judiciary.

Mr. Frederickson introduced-

S.F. No. 2190: A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

Referred to the Committee on Judiciary.

Mr. Kroening introduced-

S.F. No. 2191: A bill for an act relating to local police and salaried fire-fighters relief associations; providing a supplemental medical allowance and group health insurance; proposing new law coded in Minnesota Statutes, chapter 423A.

Referred to the Committee on Governmental Operations.

Mr. Kroening introduced—

S.F. No. 2192: A bill for an act relating to taxation; income; modifying the definition of gross income; adopting the federal rules governing certain employee public pension contributions; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kroening introduced-

S.F. No. 2193: A bill for an act relating to retirement; mandating a refund of certain contributions; appropriating money; amending Laws 1983, chapter 301, sections 225, subdivision 1; and 226, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Kroening introduced-

S.F. No. 2194: A bill for an act relating to retirement; Minneapolis teachers; retirement contributions for service in excess of 30 years.

Referred to the Committee on Governmental Operations.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, April 9, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-THIRD DAY

St. Paul, Minnesota, Monday, April 9, 1984

. The Senate met at 11:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. John G. Krueger.

The roll was called, and the following Senators answered to their names:

Adkins	Dicklich	Knutson	Novak	Samuelson
Anderson	Diessner	Kroening	Olson	Schmitz
Belanger	Dieterich	Kronebusch	Pehler	Sieloff
Benson	Frank	Laidig	Peterson, C.C.	Solon
Berg	Frederick	Lantry	Peterson, D.C.	Spear
Berglin	Frederickson	Lessard	Peterson, D.L.	Storm
Bernhagen	Freeman	Luther	Peterson, R.W.	Stumpf
Bertram	Hughes	McQuaid	Petty	Taylor
Brataas	Isackson	Mehrkens	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Merriam	Purfeerst	Vega
Dahl	Jude	Moe, D.M.	Ramstad	Waldorf
Davis	Kamrath	Moe, R.D.	Reichgott	Wegscheid
DeCramer	Knaak	Nelson	Renneke	Willet

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Messrs. Johnson, D.J. and Langseth were excused from the Session of today. Mr. Berg was excused from the Session of today at 12:00 noon. Mr. Peterson, R.W. was excused from the Session of today from 11:00 a.m. to 12:25 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committee indicated.

March 31, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

The following appointments to the Cable Communications Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Janna R. King, Route 1, Box 216C, Browerville, Todd County, has been appointed by me, effective December 19, 1983, for a term expiring the first Monday in January, 1985.

Jack W. Carlson, 10219 Scarborough Rd., Bloomington, Hennepin County, has been appointed by me, effective March 31, 1984, for a term expiring the first Monday in January, 1988.

(Referred to the Committee on Public Utilities and State Regulated Industries.)

Sincerely, Rudy Perpich, Governor

April 6, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 1476.

Sincerely, Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 1127 and 1350.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 5, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1757: A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 156A.

Senate File No. 1757 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 5, 1984

Mr. Moe, R.D. moved that S.F. No. 1757 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following

House Files, herewith transmitted: H.F. Nos. 1562, 1633, 1778, 1911, 1655, 1761, 1856, 1786 and 1801.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1562: A bill for an act relating to labor; providing for the prompt payment of commissions to commission salespersons who leave or lose their job; providing civil penalties for nonprompt payment; providing that wages can be promptly paid through the mail at the request of the employee or salesperson; amending Minnesota Statutes 1982, sections 181.13; and 181.14; proposing new law coded in Minnesota Statutes, chapter 181.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1519, now on General Orders.

H.F. No. 1633: A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1835, now on General Orders.

H.F. No. 1778: A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1627, now on General Orders.

H.F. No. 1911: A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2128.

H.F. No. 1655: A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; extending the temporary removal of mortgage usury limits; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of 'demand deposits' in light of federal deregula-

tion of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; clarifying service charges on dishonored checks; making various technical changes; amending Minnesota Statutes 1982, sections 45.071, by adding a subdivision; 46.04, subdivision 1; 47.204, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 51A.50; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; and 56.12; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; 53.04, subdivision 3a; 168.67; and 332.50, subdivision 2; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1758, now on General Orders.

H.F. No. 1761: A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1856: A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1801, now on General Orders.

H.F. No. 1786: A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutants general; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1431, now on General Orders.

H.F. No. 1801: A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, and 6; 221.121, subdivision 5; 221.131, subdivision 1; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1699, now on General Orders.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now

adopted, with the exception of reports pertaining to appointments. The motion prevailed.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1622: A bill for an act relating to peace officers; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1982, section 352E.04.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 1469: A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Chmielewski from the Committee on Employment, to which was referred
- S.F. No. 433: A bill for an act relating to labor; regulating the minimum wage; eliminating the tip credit; amending Minnesota Statutes 1982, section 177.24, subdivision 2; repealing Minnesota Statutes 1982, section 177.28, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 177.27, subdivision 4, is amended to read:
- Subd. 4. The commissioner may investigate, mediate, and settle a wage claims claim by an employee against an employer if the failure to pay any wage may violate Minnesota laws or any order or rule of the department thereunder. If upon investigation the commissioner determines that a violation has occurred, the commissioner shall require the employer to pay to the department within 30 days the appropriate amount of the wage claim, as determined by the commissioner, plus simple interest at a rate of 8 percent per annum calculated from the time the wages constituting the wage claim were due and payable. The commissioner shall then pay the amount of the wage claim plus interest to the employee.
- Sec. 2. Minnesota Statutes 1982, section 177.27, subdivision 5, is amended to read:
- Subd. 5. The commissioner may commence a civil action in any court of competent jurisdiction for the benefit of any employee for appropriate relief with respect to any wage claim which the commissioner deems considers to

be valid, upon:

- (1) the employer's failure to pay a wage claim plus interest as provided under subdivision 4; or
- (2) a written request being filed with the commissioner by the employee, provided: (1) the failure to pay the wage would constitute a violation of Minnesota laws or any order or rule of the department thereunder, and (2) the wage claim does not exceed \$300.

The employer shall pay all costs and disbursements as may be allowed by the court, and shall further pay an assessment of ten percent of the amount of any awarded wage claim to the treasurer of the state of Minnesota. In any action herein no security for payment of costs shall be required.

Nothing herein shall be construed to prevent an employee from prosecuting his own claim for wages.

Sec. 3. Minnesota Statutes 1983 Supplement, section 177.32, subdivision 1, is amended to read:

Subdivision 1. An employer who does any of the following is guilty of a misdemeanor and subject to a fine of \$500 for each violation: (a) hinders or delays the commissioner or an authorized representative in the performance of duties required under sections 177.21 to 177.35; (b) refuses to admit the commissioner or an authorized representative to the place of business or employment of the employer, as required by section 177.27, subdivision 1; (c) consistently and repeatedly fails to make, keep, and preserve records as required by section 177.30; (d) falsifies any record; (e) refuses to make any record available, or to furnish a sworn statement of the record or any other information as required by section 177.27; (f) consistently and repeatedly fails to post a summary of sections 177.21 to 177.35 or a copy or summary of the applicable rules as required by section 177.31; (g) pays or agrees to pay wages at a rate less than the rate required under sections 177.21 to 177.35; or (h) otherwise violates any provision of sections 177.21 to 177.35 or any rule adopted pursuant to those sections.

Sec. 4. [REPORT TO LEGISLATURE.]

The commissioner of labor and industry shall report to the legislature by January 1, 1985 concerning recommendations for improving enforcement of the Minnesota Fair Labor Standards Act.

Sec. 5. [APPROPRIATION.]

The sum of \$...... is appropriated from the general fund to the commissioner of labor and industry for the purpose of eliminating the backlog of minimum wage violation complaints and to ensure that future complaints under the Minnesota Fair Labor Standards Act are promptly processed. The appropriation is available until June 30, 1985. The approved complement of the department of labor and industry is increased by six positions."

Delete the title and insert:

"A bill for an act relating to labor; requiring an employer to pay certain wage claims to the department of labor and industry; providing for a fine of \$500 for certain violations of the minimum wage law; removing a certain limitation on commencing civil actions for minimum wage law violations:

requiring the commissioner of labor and industry to report to the legislature on recommendations to improve enforcement of the minimum wage law, appropriating money; amending Minnesota Statutes 1982, section 177.27, subdivisions 4 and 5; and Minnesota Statutes 1983 Supplement, section 177.32, subdivision 1."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 1943: A bill for an act relating to the city of Oakdale; providing a permanent increase in the levy limit base.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "and therafter" and insert ", 1985, and 1986"

Page 1, delete line 10

Page 1, line 11, delete "pursuant to section 275.51, and"

Page 1, line 12, after the period, insert "In computing the levy limit base for taxes levied in 1987, \$100,000 shall be subtracted from the adjusted levy limit base for taxes levied in 1986."

Page 1, after line 12, insert:

"Sec. 2. [REVERSE REFERENDUM.]

If the Oakdale city council proposes to increase the levy limit base of the city pursuant to section 1, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to ten percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October

Page 1, line 14, delete "section 1 applies" and insert "sections 1 and 2 apply"

Page 1, line 18, delete "section 1 is" and insert "sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "permanent" and insert "temporary"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

S.F. No. 2043: A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, section 3.971, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 3, insert:

- "Sec. 2. Minnesota Statutes 1983 Supplement, section 3.972, subdivision 2, is amended to read:
- Subd. 2. [AUDITS OF STATE AND SEMI-STATE AGENCIES.] The legislative auditor shall make a constant audit of all financial affairs of all departments and agencies of the state and all metropolitan agencies, boards, and commissions, and of the financial records and transactions of public boards, associations, and societies supported, wholly or in part, by state funds. Once in each year, if funds and personnel permit, without previous notice, he shall visit each of such state departments and agencies. metropolitan agencies, boards, and commissions, associations or societies and, so far as practicable, inspect such agencies, thoroughly examine the books and accounts thereof, verifying the funds, securities and other assets, check the items of receipts and disbursements with the voucher records thereof, ascertain the character of the official bonds for the officers thereof and the financial ability of the bondsmen, inspect the sources of revenue thereof, the use and disposition of state appropriations and property, investigate the methods of purchase and sale, the character of contracts on public account, ascertain proper custody and depository for the funds and securities thereof, verify the inventory of public property and other assets held in trust, and ascertain that all financial transactions and operations involving the public funds and property of the state comply with the spirit and purpose of the law, are sound by modern standards of financial management and are for the best protection of the public interest.
- Sec. 3. Minnesota Statutes 1982, section 473.08, subdivision 4, is amended to read:
- Subd. 4. The commission shall keep an accurate account of its receipts and disbursements. Disbursements of funds of the commission shall be made by check signed by the chairman or vice chairman or secretary of the commission and countersigned by the director or assistant director or administrative assistant thereof after such auditing and approval of the expenditure as may be provided by rules of the commission. The state legislative auditor shall

audit the books and accounts of the commission once each year, or as often as funds and personnel of the state legislative auditor permit. The commission shall pay to the state general fund the total cost and expenses of such examination, including the salaries paid to the auditors while actually engaged in making such examination. The revolving fund of the state auditor shall be credited with all collections made for any such examination.

- Sec. 4. Minnesota Statutes 1982, section 473.141, is amended by adding a subdivision to read:
- Subd. 15. [AUDIT.] The legislative auditor shall conduct a financial and compliance audit of the books and accounts of each commission once each year or as often as the funds and personnel of the legislative auditor permit. The cost of the audit shall be paid by the commission to the general fund.
- Sec. 5. Minnesota Statutes 1982, section 473.413, subdivision 11, is amended to read:
- Subd. 11. [COMMISSION; AUDITOR OF FINANCES.] The commission shall employ a certified public accountant or firm thereof to legislative auditor shall make an annual audit of the commission's financial accounts and affairs for the last fiscal year on or before November 30 of each year, and. Copies of the report thereof shall be filed and kept open to public inspection in the offices of the secretary of the commission and the secretary of state. The information in the audit shall be contained in the annual report and distributed in accordance with section 473.445.
- Sec. 6. Minnesota Statutes 1982, section 473.543, subdivision 5, is amended to read:
- Subd. 5. The state legislative auditor shall audit the books and accounts of the commission at least once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay to the state general fund the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The revolving fund of the state auditor shall be credited with all collections made for any such examination. The council may also require the commission to have an independent audit made by a certified public accountant to be paid for by the commission, and may examine the commission's books and accounts at any time.
- Sec. 7. Minnesota Statutes 1982, section 473.595, subdivision 5, is amended to read:
- Subd. 5. [AUDIT.] The eemmission once each year legislative auditor shall have make an independent audit made of its the commission's books and accounts by a certified public accountant once each year or as often as the legislative auditor's funds and personnel permit. The costs of the audits shall be paid by the commission to the general fund. Once each year the commission shall prepare and file a written report with the legislative auditor in such form and containing such information as the legislative auditor may prescribe. The council or the legislative auditor may examine the commission's books and accounts at any time.
- Sec. 8. Minnesota Statutes 1982, section 473.604, is amended by adding a subdivision to read:

- Subd. 6. [AUDIT.] The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay to the general fund the total cost of the audit.
- Sec. 9. Minnesota Statutes 1982, section 473.703, is amended by adding a subdivision to read:
- Subd. 10. [AUDIT.] The legislative auditor shall audit the books and accounts of the commission once each year or as often as the legislative auditor's funds and personnel permit. The commission shall pay to the general fund the total cost of the audit.

Sec. 10. [TRANSITION.]

Authority of the legislative auditor to audit the metropolitan council and metropolitan waste control commission does not commence until June 30, 1986."

- Page 2, line 4, delete "2" and insert "11"
- Page 2, line 5, delete "Section 1 is" and insert "Sections 1 and 2, 4 and 5, and 7 to 9 are"
- Page 2, line 5, after the period, insert "Sections 3 and 6 are effective June 30. 1986."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; 473.08, subdivision 4; 473.141, by adding a subdivision; 473.413, subdivision 11; 473.543, subdivision 5; 473.595, subdivision 5; 473.604, by adding a subdivision; 473.703, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 3.972, subdivision 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 2128: A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 11, delete "and convey" and insert "by private sale"
- Page 1, line 13, delete "thereof" and insert ", including improvements,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
 - H.F. No. 1760: A bill for an act relating to natural resources; authorizing a

private sale of certain state fisheries land.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, delete "thereof" and insert ", excluding improvements"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1865: A bill for an act relating to public welfare; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; amending Minnesota Statutes 1982, sections 256B.17, as amended; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.968; 256.969, subdivision 6; and 256B.06, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 256.045, subdivision 2, is amended to read:

Subd. 2. [LOCAL WELFARE HEARINGS.] In counties in which the commissioner of public welfare has appointed a local welfare referee, any person applying for or, receiving, or having received public assistance granted by a local agency pursuant to Minnesota Statutes, Sections 256.72 to 256.87, Chapters 256B, 256D, 261, the Federal Food Stamp Act or a program of social services whose application for assistance is denied, or not acted upon with reasonable promptness, or whose assistance is suspended, reduced, or terminated by a local agency, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the local welfare referee by submitting a written request for a hearing to the local agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant or recipient shows good cause why the request was not submitted within the 30 day time limit. The local welfare referee shall conduct a hearing on the matter and shall issue a ruling affirming, reversing, or modifying the action or decision of the local agency. The ruling of the local welfare referee shall be binding upon the local agency and the aggrieved party unless appeal is taken in the manner provided by subdivision 3.

Sec. 2. Minnesota Statutes 1983 Supplement, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] In counties in which the com-

missioner of welfare has not appointed a local welfare referee, any person applying for or, receiving or having received any of the forms of public assistance described in subdivision 2 whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, or terminated by a local agency, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient or relative shows good cause why the request was not submitted within the 30 day time limit. A local agency, applicant, recipient, patient or relative or party aggrieved by a ruling of a local welfare referee may appeal the ruling to the state agency by filing a notice of appeal with the state agency within 30 days after receiving the ruling of the local welfare referee. A state welfare referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of public welfare. In appeals from rulings of local welfare referees, the hearing may be limited, upon stipulation of the parties, to a review of the record of the local welfare referee.

- Sec. 3. Minnesota Statutes 1982, section 256.045, subdivision 4, is amended to read:
- Subd. 4. [CONDUCT OF HEARINGS.] All hearings held pursuant to subdivisions 2 or 3 shall be conducted according to the provisions of the federal Social Security Act and the regulations implemented in accordance with that act to enable this state to qualify for federal grants-in-aid, and according to the rules and written policies of the commissioner of public welfare. The hearing shall not be held earlier than five days after filing of the required notice with the local or state agency. The local welfare referee or state welfare referee shall notify all interested persons of the time, date and location of the hearing at least five days before the date of the hearing. Interested persons may be represented by legal counsel or other spokesman of their choice at the hearing and may appear personally, testify and offer evidence, and examine and cross-examine witnesses. The applicant or, recipient, or former recipient shall have the opportunity to examine the contents of his case file and all documents and records to be used by the local agency at the hearing at a reasonable time before the date of the hearing and during the hearing. All evidence, except that privileged by law, commonly accepted by reasonable men in the conduct of their affairs as having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be "a contested case" within the meaning of section 14.02, subdivision 3.
- Sec. 4. Minnesota Statutes 1982, section 256.045, subdivision 5, is amended to read:
- Subd. 5. [ORDERS OF THE COMMISSIONER OF WELFARE.] The commissioner of public welfare may accept the recommended order of a state welfare referee and issue the order to the local agency and the applicant of recipient, or former recipient. If the commissioner refuses to accept the recommended order of the state welfare referee, he shall notify the local agency and the applicant of, recipient, or former recipient of that fact and shall state his reasons therefor and shall allow each party ten days' time to submit addi-

tional written argument on the matter. After the expiration of the ten day period, the commissioner shall issue an order on the matter to the local agency and the applicant or, recipient, or former recipient. Any order of the commissioner issued in accordance with this subdivision shall be conclusive upon the parties unless appeal is taken in the manner provided by subdivision 7.

- Sec. 5. Minnesota Statutes 1982, section 256.045, subdivision 7, is amended to read:
- Subd. 7. [JUDICIAL REVIEW.] An applicant or recipient or local agency Any party who is aggrieved by an order of the commissioner of welfare may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the commissioner issued the order, and by filing the original notice and proof of service with the clerk of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the clerk of court in appeals taken pursuant to this subdivision. The commissioner may elect to become a party to the proceedings in the district court. Any party may demand that the commissioner furnish all parties to the proceedings with a copy of his decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the state welfare referee, by serving a written demand upon the commissioner within 30 days after service of the notice of appeal.
- Sec. 6. Minnesota Statutes 1983 Supplement, section 256.968, is amended to read:

[LIMITATION ON INPATIENT CHEMICAL DEPENDENCY TREAT-MENT.]

The commissioner of public welfare shall limit medical assistance and general assistance medical care reimbursement for treatment of alcoholism, chemical dependency or drug addiction which is rendered in a licensed inpatient hospital to one treatment episode per calendar year per recipient if the hospital is being reimbursed on a per episode basis or to 30 days per calendar year in a licensed hospital or certified nursing home to 30 days reimbursed under other methodologies unless need for extended care is certified by the attending physician and has received prior approval from the commissioner.

- Sec. 7. Minnesota Statutes 1983 Supplement, section 256.969, subdivision 2, is amended to read:
- Subd. 2. [RATES FOR INPATIENT HOSPITALS.] Rates paid to inpatient hospitals shall be based on a rate per admission until the commissioner can begin to reimburse hospitals for services under the medical assistance and general assistance medical care programs based upon a diagnostic classification system appropriate to the service populations. On July 1, 1984, the commissioner shall begin to utilize to the extent possible existing classification systems, including Medicare.
- Sec. 8. Minnesota Statutes 1983 Supplement, section 256.969, subdivision 6, is amended to read:
 - Subd. 6. [RULES.] The commissioner of public welfare shall promulgate

temporary and permanent rules to implement a system of prospective payment for inpatient hospital services pursuant to chapter 14, the Administrative Procedure Act. Notwithstanding section 14.53, temporary rule authority authorized by Laws 1983, chapter 216, article 1, section 39, shall extend to August 1, 1985.

Sec. 9. Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

- (1) Who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676 under Minnesota Statutes, section 259.40; or
- (2) Who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676; or
- (3) Who is eligible for or receiving public assistance, or a woman who is pregnant, as medically verified, and who would be eligible for assistance under the aid to families with dependent children program if the child had been born and living with the woman or the Minnesota supplemental aid program; or
- (4) Who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section; or
- (5) Who, except for the amount of income or resources, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and is in need of medical assistance who meets the other eligibility requirements of this section; or
- (6) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or
- (7) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and
- (8) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and
- (9) Who alone, or together with his spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant or recipient as his dwelling place primary place of residence, together with the contiguous land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or 80 contiguous acres in unplatted land. Occupancy or exemption shall be determined as provided in chapter 510 and applicable law, including continuing exemption by filing notice under section 510.07. The homestead shall continue to be excluded for persons residing in a long-term care facility if it is used as a primary residence by the spouse, minor child, or disabled child of any age; or the applicant/recipient is expected to return to the home as a principal residence within six calendar

months of entry to the long-term care facility. Certification of expected return to the homestead shall be documented in writing by the attending physician. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and

- (10) Who individually does not own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:
- (a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and
- (11) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (husband and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent the income standards by family size used in the aid to families with dependent children program, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income due solely to increases in federal retiree, survivor's, and disability insurance benefits, veterans administration benefits, and railroad retirement benefits in the percentage amount established in the biennial appropriations law unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and
- (12) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by either spouse when one spouse is a nursing home resident; and
 - (13) Who has applied or agrees to apply all proceeds received or receivable

by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits; and

- (14) Who is a pregnant woman, as certified in writing by a physician or nurse midwife, and who (a) meets the other eligibility criteria of this section, and (b) would be categorically eligible for assistance under the aid to families with dependent children program if the child had been born and was living with the woman.
- Sec. 10. Minnesota Statutes 1982, section 256B.17, subdivision 1, is amended to read:
- Subdivision 1. [TRANSFERS FOR LESS THAN MARKET VALUE.] In determining the resources of an individual and an eligible spouse, there shall be included any resource or interest therein which was given away or, sold, or disposed of for less than fair market value within the 24 months preceding application for medical assistance or during the period of eligibility.
- Sec. 11. Minnesota Statutes 1982, section 256B.17, subdivision 3, is amended to read:
- Subd. 3. [RESOURCE VALUE.] For purposes of subdivision 1, the value of the resource or interest shall be the fair market value at the time it was given away, sold, or given away disposed of, less the amount of compensation received.
- Sec. 12. Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 4, is amended to read:
- Subd. 4. [PERIOD OF INELIGIBILITY.] For any uncompensated transfer, the period of ineligibility shall be calculated by dividing the uncompensated transferred amount by the statewide average monthly skilled nursing facility per diem for the previous calendar year to determine the number of months of ineligibility. The individual shall remain ineligible until this fixed ineligibility period has expired, subject to the exclusions contained in section 256B.06, subdivision 1. The period of ineligibility may exceed 24 months, and a reapplication for benefits after 24 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired.
- Sec. 13. Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 5, is amended to read:
- Subd. 5. [EXCLUSIONS FOR HOMESTEAD TRANSFERS.] Notwithstanding subdivision 4, an individual shall not be ineligible if the transferred property is a homestead as defined by section 256B.06, subdivision 1, and one of the following conditions applies: (a) [EXCLUDED RESOURCES.] Except for the limitations contained in subdivision 6, a resource which is transferred while otherwise excluded under sections 256B.06 and 256B.07 shall

not be considered an available resource for purposes of medical assistance eligibility. This exception shall not apply to applicants for or recipients of general assistance medical care benefits under chapter 256D.

- (b) [PROHIBITED TRANSFERS OF EXCLUDED RESOURCES.] Any individual who is an inpatient in a skilled nursing facility or an intermediate care facility who, at any time during or after the 24-month period immediately prior to application for medical assistance, disposed of a homestead for less than fair market value shall be ineligible for medical assistance in accordance with subdivisions 1 to 4. An individual shall not be ineligible for medical assistance if one of the following conditions applies to the homestead transfer:
- (1) a satisfactory showing is made that the individual can reasonably be expected to return to the homestead as a permanent residence;
- (2) title to the home homestead was transferred to the individual's spouse, child who is under age 21, or blind or permanently and totally disabled child as defined in the supplemental security income program;
- (3) a satisfactory showing is made that the individual intended to dispose of the home homestead at fair market value or for other valuable consideration; or
- (4) the local agency determines that denial of eligibility would cause undue hardship for the individual, based on imminent threat to the individual's health and well-being.
- Sec. 14. Minnesota Statutes 1982, section 256B.19, subdivision 1, is amended to read:

Subdivision 1. [DIVISION OF COST.] The cost of medical assistance paid by each county of financial responsibility shall be borne as follows: Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county showing the amount required for the succeeding month. Ninety percent of the expense of assistance not paid by federal funds available for that purpose shall be paid by the state and ten percent shall be paid by the county of financial responsibility.

For counties where health maintenance organizations are under contract to the state to provide services to medical assistance recipients, the division of the nonfederal share of medical assistance expenses for payments made to health maintenance organizations in the form of prepaid capitation payments, this division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D.02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D.04 and information about utilization. Persons who become eligible for medical assistance after July 1, 1982

and who choose to receive services from a health maintenance organization under contract to the state pursuant to this section shall be guaranteed six months medical assistance eligibility.

The commissioner of public welfare shall seek a waiver to charge a coinsurance fee to recipients of medical assistance who become eligible for medical assistance benefits and who choose not to receive the benefits of a health maintenance organization contracted for by the state pursuant to this section. The coinsurance fee shall be limited to the maximum monthly charge allowed by 42 CFR, sections 447.50 to 447.59, as amended through December 31. 1981. The local welfare agency may waive the coinsurance fee when it determines that the medical needs of the recipient would not be best served by enrollment in a health maintenance organization. The coinsurance fee shall be charged only to recipients who become eligible for medical assistance after the commissioner has reported to the legislature regarding the proposed method of implementing this paragraph Persons who become eligible for medical assistance after July 1, 1984, who are not participating in any Medicaid demonstration project as defined under sections 256B.70 and 256B.71, and who choose at the time of application for assistance to receive services from a health maintenance organization, shall be guaranteed six months of coverage by a state contracted health maintenance organization if the recipient remains in the health maintenance organization from the time of initial enrollment. The continued eligibility guarantee shall not be granted when ineligibility for medical assistance is due to death, loss of state or county residency, failure to respond to the county's efforts to contact the recipient, failure to locate the recipient, or when the recipient is eligible for continued eligibility as defined in section 256B.062.

Sec. 15. [CONTRIBUTION OF NON-INSTITUTIONALIZED SPOUSE.]

In determining the contribution required from the non-institutionalized spouse of a resident or patient of a hospital or nursing home, the commissioner of public welfare shall use the standard set forth in Minnesota Rules, part 9515.2600, until the existing rules have been revised to reflect, among other things, increases in the cost of living of the non-institutionalized spouse.

Sec. 16. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 8, is repealed.

Sec. 17. [EFFECTIVE DATE.]

Sections I to 9, 14, and 15 are effective July 1, 1984. Sections 10 to 13 are effective for all transfers which occur on or after the effective date of this act, or which took place within 24 months preceding the effective date of this act."

Delete the title and insert:

"A bill for an act relating to public welfare; limiting medical assistance and providing appeal rights for former recipients of public assistance; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospec-

tive payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; changing standards for the contribution of a non-institutionalized spouse; amending Minnesota Statutes 1982, sections 256.045, subdivisions 2, 4, 5, and 7; 256B.17, subdivisions 1 and 3; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; 256B.06, subdivision 1; and 256B.17, subdivisions 4 and 5; repealing Minnesota Statutes 1983 Supplement, section 256B.17, subdivision 8."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1821: A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 354.10; 507.291; 507.292; 507.293; 507.39; 524.5-502; 524.5-505; and 528.16.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 508.72, is amended to read:

508.72 [AGENCY; POWER TO BE REGISTERED.]

Any act which may legally be done or performed by any person under this chapter may be done and performed by his agent thereto when duly authorized in writing. Such The instrument or power of attorney shall be filed with the registrar and registered by him if it is executed and acknowledged as now required by law in the case of a deed, filed with the registrar, and registered by him. Any instrument revoking such the power of attorney shall may be filed and registered if it is executed, and acknowledged, and registered in like manner the same way. A written instrument of revocation of an unregistered power of attorney, executed and acknowledged by a person having a registered interest in land, may be filed for registration as a memorial upon the certificate of title.

Sec. 2. Minnesota Statutes 1982, section 508A.72, is amended to read:

508A.72 [AGENCY; POWER TO BE REGISTERED.]

Any act which may legally be done or performed by any person under sections 508A.01 to 508A.85 may be done and performed by his agent when duly authorized in writing. The instrument or power of attorney shall be filed with the registrar and registered by him if it is executed and acknowledged as required by law in the case of a deed, filed with the registrar, and registered by him. Any instrument revoking the power of attorney shall may be filed and registered if it is executed, and acknowledged, and registered in like manner the same way. A written instrument of revocation of an unregistered power

of attorney, executed and acknowledged by a person having a registered interest in land, may be filed for registration as a memorial upon the certificate of title.

Sec. 3. [523.01] [AUTHORIZATION.]

A person who is a competent adult may, as principal, designate another person or an authorized corporation as the person's attorney-in-fact by a written power of attorney. The power of attorney is validly executed when it is dated and signed by the principal and, in the case of a signature on behalf of the principal, by another, or by a mark, acknowledged by a notary public. Only powers of attorney validly created pursuant to section 3 or 4 are validly executed powers of attorney for the purposes of sections 3 to 27.

Sec. 4. [523.02] [COMMON LAW, PRE-EXISTING AND FOREIGN POWERS OF ATTORNEY.]

A written power of attorney is a validly executed power of attorney for the purposes of sections 3 to 27, and is subject to the provisions of sections 3 to 27, if it is validly created pursuant to: (1) the law of Minnesota as it existed prior to the enactment of sections 3 to 27 if it was executed prior to the effective date of sections 3 to 27; (2) the common law; or (3) the law of another state or country.

Sec. 5. [523.03] [INTERPRETATION.]

Unless the context requires otherwise, all references in sections 3 to 27 to the "principal" include any guardian or conservator of the estate appointed for the principal at any time and all references to a "power of attorney" mean a validly executed power of attorney.

Sec. 6. [523.04] [POWER OF ATTORNEY PRESUMED TO BE VALUELY EXECUTED.]

A written power of attorney that is dated and purports to be signed by the principal named in it is presumed to be valid. All parties may rely on this presumption except those who have actual knowledge that the power was not validly executed.

Sec. 7. [523.05] [RECORDING OF POWER OF ATTORNEY.]

If the exercise of the power of attorney requires execution and delivery of any instrument which is recordable, the power of attorney and any affidavit authorized under sections 3 to 27 when authenticated for record in conformity with section 507.24, are also recordable.

Sec. 8. [523.06] [CERTIFICATION OF POWER OF ATTORNEY.]

A certified copy of a power of attorney has the same force and effect as a power of attorney bearing the signature of the principal. A copy of a power of attorney may be certified by an official of a state or of a political subdivision of a state who is authorized to make certifications. The certification shall state that the certifying official has examined an original power of attorney and the copy and that the copy is a true and correct copy of the original power of attorney.

Sec. 9. [523.07] [DURABLE POWER OF ATTORNEY.]

A power of attorney is durable if it contains language such as "This power

of attorney shall not be affected by disability of the principal' or "This power of attorney shall become effective upon the disability of the principal," or similar words showing the intent of the principal that the authority conferred is exercisable notwithstanding his later disability or incapacity.

Sec. 10. [523.08] [TERMINATION OF A DURABLE POWER.]

A durable power of attorney terminates on the death of the principal or upon the expiration of a period of time specified in the power of attorney if the period ends prior to the death of the principal.

Sec. 11. [523.09] [TERMINATION OF A NONDURABLE POWER OF ATTORNEY.]

A nondurable power of attorney terminates on the death of the principal, on the incompetency of the principal, or upon the expiration of a period of time specified in the power of attorney if the period ends prior to the death or incompetency of the principal.

Sec. 12. [523.10] [MISSING PERSONS PRESUMED LIVING.]

A missing person is presumed to be living until actual proof of death or legal adjudication of death occurs.

Sec. 13. [523.11] [REVOCATION OF A POWER.]

Subdivision 1. [MANNER.] An executed power of attorney may be revoked only by a written instrument of revocation signed by the principal and, in the case of a signature on behalf of the principal by another or a signature by a mark, acknowledged by a notary public. The conservator or guardian of the principal has the same power the principal would have if the principal were not disabled or incompetent to revoke, suspend, or terminate all or any part of the power of attorney.

- Subd. 2. [EFFECT.] Revocation of an executed power of attorney is not effective as to any party unless that party has actual notice of the revocation. As used in this chapter, "actual notice of revocation" means that a written instrument of revocation has been received by the party or, in a real property transaction, that a written instrument of revocation containing the legal description of the real property has been recorded in the office of the county recorder or filed in the office of the registrar of titles. Recorded or filed revocation is actual notice of revocation of a power of attorney only as to any interest in real property described in the revocation and located in the county where it is recorded.
- Subd. 3. [PRESUMPTIONS.] A written instrument of revocation that purports to be signed by the principal named in the power of attorney is presumed to be valid. Any party receiving the written instrument of revocation may rely on this presumption and is not liable for later refusing to accept the authority of the attorney-in-fact.
- Subd. 4. [TRANSFEREE AFFIDAVIT OF NONREVOCATION.] In the case of a conveyance of an interest in property, an affidavit signed by an initial transferee of the interest of the principal stating that the initial transferee had not received, at the time of the conveyance, a written instrument of revocation of the power of attorney, constitutes conclusive proof as to all subsequent transferees that no written instrument of revocation was received

by the initial transferee, except as to a subsequent transferee who commits an intentional fraud.

Sec. 14. [523.12] [POWER OF ATTORNEY-IN-FACT TO BIND PRINCIPAL.]

Any action taken by the attorney-in-fact pursuant to the power of attorney binds the principal, the principal's heirs and assigns, and the representative of the estate of the principal in the same manner as though the action was taken by the principal, and, during any time while a guardian or conservator has been appointed for the principal and only the guardian or conservator has the power to take relevant action, as though the action was taken by the guardian or conservator.

Sec. 15. [523.13] [MULTIPLE ATTORNEYS-IN-FACT.]

Unless it is provided to the contrary in a power of attorney which authorizes two or more attorneys-in-fact to act on behalf of a principal, any action taken by any one of the several attorneys-in-fact pursuant to the power of attorney, whether the other attorneys-in-fact consent or object to the action, binds the principal, the principal's heirs and assigns, and the representative of the estate of the principal in the same manner as though the action was taken by the principal, and, during any time while a guardian or conservator has been appointed for the principal and only the guardian or conservator has the power to take the relevant action, as though the action was taken by the guardian or conservator.

Sec. 16. [523.14] [SUCCESSOR ATTORNEY-IN-FACT NOT LIABLE FOR ACTS OF PREDECESSOR.]

An attorney-in-fact who is named in a power of attorney to succeed an attorney-in-fact who dies, resigns, or otherwise is unable to serve, is not liable for any action taken by the predecessor attorney-in-fact.

Sec. 17. [523.15] [CO-ATTORNEYS-IN-FACT NOT LIABLE FOR ACTS OF EACH OTHER.]

When two or more attorneys-in-fact are authorized to act on behalf of a principal, an attorney-in-fact who did not join in or consent to the action of one or more co-attorneys-in-fact is not liable for that action. Failure to object to an action is not consent.

Sec. 18. [523.16] [AFFIDAVIT AS PROOF OF AUTHORITY OF ATTORNEY-IN-FACT.]

If the attorney-in-fact exercising a power pursuant to a power of attorney has authority to act as a result of the death, incompetency, or resignation of one or more attorneys-in-fact named in the power of attorney, an affidavit executed by the attorney-in-fact setting forth the conditions precedent to the attorney-in-fact's authority to act under the power of attorney and stating that those conditions have occurred is conclusive proof as to any party relying on the affidavit of the occurrence of those conditions.

Sec. 19. [523.17] [AFFIDAVIT OF ATTORNEY-IN-FACT AS CONCLUSIVE PROOF OF NONTERMINATION AND NONREVOCATION IN REAL PROPERTY TRANSACTIONS.]

If the exercise of a power granted by a power of attorney relating to real

property requires execution or delivery of any instrument which is recordable, an affidavit, signed by the attorney-in-fact, stating that the attorney-infact did not have, at the time of exercising a power pursuant to the power of attorney, actual knowledge of the termination of the power of attorney by the death of the principal, or, if the power of attorney is one which terminates upon the incompetence of the principal, actual knowledge of the principal's incompetence, or actual notice of the revocation of the power of attorney, is conclusive proof that the power of attorney had not terminated or been revoked at the time of the exercise of the power as to any party relying on the affidavit except any party dealing directly with the attorney-in-fact who has actual knowledge that the power of attorney had terminated prior to the exercise of the power or actual notice of the revocation of the power of attorney.

Sec. 20. [523.18] [ATTORNEY-IN-FACT'S SIGNATURE AS CONCLUSIVE PROOF OF NONTERMINATION.]

In the exercise of a power granted by a power of attorney, other than in a transaction relating to real property described in section 19, a signature by a person as "attorney-in-fact for [Name of the Principal]" or "[Name of the Principal] by [Name of the attorney-in-fact] his/her attorney-in-fact" or any similar written disclosure of the principal and attorney-in-fact relationship constitutes an attestation by the attorney-in-fact that the attorney-in-fact did not have, at the time of signing, actual knowledge of the termination of the power of attorney by the death of the principal or, if the power is one which terminates upon incompetence of the principal, actual knowledge of the principal's incompetence, or actual notice of the revocation of the power of attorney, and is conclusive proof as to any party relying on the attestation that the power of attorney had not terminated or been revoked at the time of the signature by the attorney-in-fact on behalf of the principal except as to any party who has actual knowledge that the power of attorney had terminated prior to the signature or actual notice of the revocation of the power of attorney.

Sec. 21. [523.19] [THIRD PARTIES HELD HARMLESS.]

Any party accepting the authority of an attorney-in-fact to exercise a power granted by a power of attorney is not liable to the principal, to the heirs and assigns of the principal, or to any representative of the estate of the principal if: (1) the applicable provisions of sections 19 and 20 have been satisfied; (2) the provisions of section 18 have been satisfied, if applicable; (3) the party has no actual notice of the revocation of the power of attorney prior to the transaction; (4) the party has no actual knowledge of the death of the principal and, if the power of attorney is not a durable power of attorney, has not received actual notice of a judicial determination that the principal is legally incompetent; and (5) the duration of the power of attorney specified in the power of attorney itself, if any, has not expired. A good faith purchaser from any party who has obtained an interest in property from an attorney-in-fact is not liable to the principal, the heirs or assigns of the principal, or the representative of the estate of the principal.

Sec. 22. [523.20] [LIABILITY OF PARTIES REFUSING AUTHORITY OF ATTORNEY-IN-FACT TO ACT ON PRINCIPAL'S BEHALF.]

Any party refusing to accept the authority of an attorney-in-fact to exercise a power granted by a power of attorney which (1) is executed in conformity

with section 25; (2) contains a specimen signature of the attornev-in-fact authorized to act: (3) with regard to the execution or delivery of any recordable instrument relating to real property, is accompanied by affidavits that satisfy the provisions of section 19; (4) with regard to any other transaction, is signed by the attorney-in-fact in a manner conforming to section 20; and (5) when applicable, is accompanied by an affidavit and any other document required by section 18, is liable to the principal and to the principal's heirs. assigns, and representative of the estate of the principal in the same manner as the party would be liable had the party refused to accept the authority of the principal to act on his own behalf unless: (1) the party has actual notice of the revocation of the power of attorney prior to the exercise of the power: (2) the duration of the power of attorney specified in the power of attorney itself has expired; or (3) the party has actual knowledge of the death of the principal or, if the power of attorney is not a durable power of attorney, actual notice of a judicial determination that the principal is legally incompetent. This provision does not negate any liability which a party would have to the principal or to the attorney-in-fact under any other form of power of attorney under the common law or otherwise.

Sec. 23. [523.21] [DUTIES OF AN ATTORNEY-IN-FACT.]

The attorney-in-fact shall keep complete records of all transactions entered into by the attorney-in-fact on behalf of the principal. The attorney-in-fact has no duty to render an accounting of those transactions unless: (1) requested to do so at any time by the principal; or (2) the instrument conferring the power of attorney requires that the attorney-in-fact render accountings and specifies to whom the accounting must be delivered. The persons entitled to examine and copy the records of the attorney-in-fact are the principal and the guardian or conservator of the estate of the principal while the principal is living and the personal representative of the estate of the principal after the death of the principal. The attorney-in-fact has no affirmative duty to exercise any power conferred upon the attorney-in-fact under the power of attorney. In exercising any power conferred by the power of attorney, the attorney-in-fact shall exercise the power in the same manner as an ordinarily prudent person of discretion and intelligence would exercise in the management of the person's own affairs and shall have the interests of the principal utmost in mind. The attorney-in-fact is personally liable to any person, including the principal, who is injured by an action taken by the attorney-infact in bad faith under the power of attorney.

Sec. 24. [523.22] [LIABILITY OF ATTORNEY-IN-FACT FOR IM-PROPER EXECUTION OF AFFIDAVITS AND SIGNATURE.]

Nothing in sections 3 to 27 limits any rights the principal may have against the attorney-in-fact for any fraudulent or negligent actions in executing affidavits or signing or acting on behalf of the principal as an attorney-in-fact. An attorney-in-fact who knowingly executes a false affidavit or, knowing that the conditions of section 20 are not satisfied, signs on behalf of the principal is liable for treble the amount of damages suffered by the principal.

Sec. 25. [523.23] [STATUTORY SHORT FORM OF GENERAL POWER OF ATTORNEY; FORMAL REQUIREMENTS; JOINT AGENTS.]

Subdivision 1. [FORM.] The use of the following form in the creation of a

power of attorney is lawful, and, when used, it shall be construed in accordance with the provisions of sections 25 and 26:

NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE DEFINED IN SECTION 26. IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT ADVICE. THE USE OF ANY OTHER OR DIFFERENT FORM OF POWER OF ATTORNEY DESIRED BY THE PARTIES IS ALSO PERMITTED. THIS POWER OF ATTORNEY MAY BE REVOKED BY YOU IF YOU LATER WISH TO DO SO. THIS POWER OF ATTORNEY AUTHORIZES THE ATTORNEY-IN-FACT TO ACT FOR YOU BUT DOES NOT REQUIRE THAT HE OR SHE DO SO.

Know All Men by These Presents, which are intended to constitute a STATUTORY SHORT FORM POWER OF ATTORNEY pursuant to Chapter, Section, of Minnesota Law:

(NOTE: If more than one attorney-in-fact is designated and the principal wishes each attorney-in-fact alone to be able to exercise the power conferred, delete the word "jointly" Failure to delete the word "jointly" will require the attorneys-in-fact to act unanimously.)

First: in my name, place and stead in any way which I myself could do, if I were personally present, with respect to the following matters as each of them is defined in section 26:

[TO GRANT TO THE ATTORNEY-IN-FACT ANY OF THE FOL-LOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER BEING GRANTED. TO DELETE ANY OF THE FOLLOWING POWERS, DO NOT INITIAL THE LINE IN FRONT OF THE POWER. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER BEING DE-LETED WITH A LINE DRAWN THROUGH IT (OR IN SIMILAR FASH-ION). FAILURE TO INITIAL THE LINE IN FRONT OF THE POWER WILL HAVE THE EFFECT OF DELETING THE POWER.]

Initial

- (A) real property transactions;
- (B) tangible personal property transactions;
- (C) bond, share, and commodity transactions;
- (D) banking transactions;
- (E) business operating transactions;
- (F) insurance transactions;
- (G) beneficiary transactions;
- (H) gift transactions;
- (1) fiduciary transactions;
- (I) claims and litigation;
- (K) family maintenance:
- (L) benefits from military service;
- (M) records, reports, and statements;
- (N) all other matters.

Second: [YOU MUST INDICATE BELOW WHETHER OR NOT THIS POWER OF ATTORNEY WILL BE EFFECTIVE IF YOU BECOME INCOMPETENT. INITIAL THE LINE IN FRONT OF THE STATEMENT THAT EXPRESSES YOUR INTENT.]

- This power of attorney shall continue to be effective if I become incompetent. It shall not be affected by my later disability or incompetency.
- This power of attorney shall not be effective if I become incompetent.

Third: [YOU MUST INDICATE BELOW WHETHER OR NOT THIS POWER OF ATTORNEY AUTHORIZES THE ATTORNEY-IN-FACT TO TRANSFER YOUR PROPERTY DIRECTLY TO HIMSELF OR HERSELF. INITIAL THE LINE IN FRONT OF THE STATEMENT THAT EXPRESSES YOUR INTENT.]

.... This power of attorney authorizes the attorney-in-fact to transfer property directly to himself or herself.

.... This power of attorney does not authorize the attorney-in-fact to transfer property directly to himself or herself.

In Witness Whereof I ho	ave hereunto signed my name this day of
	(Signature of Principal)
[Acknowledgment]	
	Specimen Signature of Attorney(s)-in-Fact
	·

- Subd. 2. [FAILURE TO INITIAL A POWER.] Any of the powers of the form in subdivision 1 which is not initialed is withheld by the principal from the attorney-in-fact. The withholding by the principal from the attorney-in-fact of any of the powers of (A) to (M) of the form in subdivision 1 automatically constitute withholding of the powers of (N).
- Subd. 3. [REQUIREMENTS.] To constitute a "statutory short form power of attorney," as this phrase is used in this chapter the wording and content of the form in subdivision 1 must be duplicated exactly, the NOTICES must appear in a conspicuous place and manner, parts Second and Third must be properly completed, and the signature of the principal must be acknowledged.
- Subd. 4. [POWERS OF ATTORNEY-IN-FACT.] All powers enumerated in section 26 may be legally performed by an attorney-in-fact acting on behalf of a principal.

Sec. 26. [523.24] [CONSTRUCTION.]

- Subdivision 1. [REAL PROPERTY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to real estate transactions, means that the principal authorizes the attorney-in-fact:
- (1) to accept as a gift, or as security for a loan, to reject, to demand, to buy, to lease, to receive, or otherwise to acquire either ownership or possession of any estate or interest in real property;
- (2) to sell, exchange, convey either with or without convenants, quitclaim, release, surrender, mortgage, encumber, partition or consent the partitioning, plat or consent platting, grant options concerning, lease or sublet, or otherwise to dispose of, any estate or interest in real property;
- (3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any mortgage, encumbrance, lien, or other claim to real property which exists, or is claimed to exist, in favor of the principal;
- (4) to do any act of management or of conservation with respect to any estate or interest in real property owned, or claimed to be owned, by the principal, including by way of illustration, but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession or protect such estate or interest by action, proceeding or otherwise, to pay, compromise or contest taxes or assessments, to apply for and receive refunds in connection therewith, to purchase supplies, hire assistance or labor, and make repairs or alterations in the structures or lands;
- (5) to use in any way, develop, modify, alter, replace, remove, erect, or install structures or other improvements upon any real property in which the principal has, or claims to have, any estate or interest;
- (6) to demand, receive, obtain by action, proceeding, or otherwise, any money, or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of an interest in real property or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (7) to participate in any reorganization with respect to real property and receive and hold any shares of stock or instrument of similar character received in accordance with a plan of reorganization, and to act with respect to the shares, including, by way of illustration but not of restriction, power to sell or otherwise to dispose of the shares, or any of them, to exercise or sell any option, conversion or similar right with respect to the shares, and to vote on the shares in person or by the granting of a proxy;
- (8) to agree and contract, in any manner, and with any person and on any terms, which the attorney-in-fact may select, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify such an agreement or contract or any other similar agreement or contract made by or on behalf of the principal;
 - (9) to execute, acknowledge, seal, and deliver any deed, revocation,

mortgage, lease, notice, check, or other instrument which the attorney-infact deems useful for the accomplishment of any of the purposes enumerated in this subdivision:

- (10) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of, or against, the principal based on or involving any real estate transaction or to intervene in any action or proceeding relating to the claim;
- (11) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant or assistants when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and
- (12) in general, and in addition to all the specific acts in this subdivision, to do any other act with respect to any estate or interest in real property.

All powers described in this subdivision are exercisable equally with respect to any estate or interest in real property owned by the principal at the giving of the power of attorney or acquired after that time, and whether located in the state of Minnesota or elsewhere.

- Subd. 2. [TANGIBLE PERSONAL PROPERTY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to tangible personal property transactions, means that the principal authorizes the attorney-in-fact:
- (1) to accept as a gift, or as security for a loan, reject, demand, buy, receive, or otherwise to acquire either ownership or possession of any tangible personal property or any interest in tangible personal property;
- (2) to sell, exchange, convey either with or without convenants, release, surrender, mortgage, encumber, pledge, hypothecate, pawn, grant options concerning, lease or sublet to others, or otherwise to dispose of any tangible personal property or any interest in any tangible personal property;
- (3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any mortgage, encumbrance, lien, or other claim, which exists, or is claimed to exist, in favor of the principal, with respect to any tangible personal property or any interest in tangible personal property;
- (4) to do any act of management or of conservation, with respect to any tangible personal property or to any interest in any tangible personal property owned, or claimed to be owned, by the principal, including by way of illustration, but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession, or protect the tangible personal property or interest in any tangible personal property, by action, proceeding, or otherwise, to pay, compromise, or contest taxes or assessments, to apply for and receive refunds in connection with taxes or assessments, move from place to place, store for hire or on a gratuitous bailment, use, alter, and make repairs or alterations of any tangible personal property, or interest in any tangible personal property;
- (5) to demand, receive, or obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any tangible personal property or

of any interest in any tangible personal property, or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

- (6) to agree and contract in any manner and with any person and on any terms which the attorney-in-fact may select, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify any agreement or contract or any other similar agreement or contract made by or on behalf of the principal;
- (7) to execute, acknowledge, seal, and deliver any conveyance, mortgage, lease, notice, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision:
- (8) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any tangible personal property transaction or to intervene in any action or proceeding relating to such a claim;
- (9) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and
- (10) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to any tangible personal property or interest in any tangible personal property.

All powers described in this subdivision are exercisable equally with respect to any tangible personal property or interest in any tangible personal property owned by the principal at the giving of the power of attorney or acquired after that time, and whether located in the state of Minnesota or elsewhere.

- Subd. 3. [BOND, SHARE, AND COMMODITY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to bond, share, and commodity transactions means that the principal authorizes the attorney-in-fact:
- (1) to accept as a gift or as security for a loan, reject, demand, buy, receive, or otherwise to acquire either ownership or possession of any bond, share, instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, together with the interest, dividends, proceeds, or other distributions connected with any of those instruments;
- (2) to sell or sell short and to exchange, transfer either with or without a guaranty, release, surrender, hypothecate, pledge, grant options concerning, loan, trade in, or otherwise to dispose of any bond, share, instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest;
- (3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any pledge,

encumbrance, lien, or other claim as to any bond, share, instrument of similar character, commodity interest or any interest with respect to the bond, share, or interest, when the pledge, encumbrance, lien, or other claim is owned, or claimed to be owned, by the principal;

- (4) to do any act of management or of conservation with respect to any bond, share, instrument of similar character, commodity interest or any instrument with respect thereto, owned or claimed to be owned by the principal or in which the principal has or claims to have an interest, including by way of illustration but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession or protect the principal's interest therein by action, proceeding or otherwise, to pay, compromise or contest taxes or assessments, to apply for and receive refunds in connection with taxes or assessments, to consent to and participate in any reorganization, recapitalization, liquidation, merger, consolidation, sale or lease, or other change in or revival of a corporation or other association, or in the financial structure of any corporation or other association, or in the priorities, voting rights, or other special rights with respect to the corporation or association, to become a depositor with any protective, reorganization, or similar committee of the bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, belonging to the principal, to make any payments reasonably incident to the foregoing, to exercise or sell any option, conversion, or similar right, to vote in person or by the granting of a proxy with or without the power of substitution, either discretionary, general or otherwise, for the accomplishment of any of the purposes enumerated in this subdivision;
- (5) to carry in the name of a nominee selected by the attorney-in-fact any evidence of the ownership of any bond, share, other instrument of similar character, commodity interest, or instrument with respect to the bond, share, or interest, belonging to the principal;
- (6) to employ, in any way believed to be desirable by the attorney-in-fact, any bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, in which the principal has or claims to have any interest, for the protection or continued operation of any speculative or margin transaction personally begun or personally guaranteed, in whole or in part, by the principal;
- (7) to demand, receive, or obtain by action, proceeding or otherwise, any money or other thing of value to which the principal is, or may become, or may elaim to be entitled as the proceeds of any interest in a bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (8) to agree and contract, in any manner, with any broker or other person, and on any terms which the attorney-in-fact selects, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other

similar agreement made by or on behalf of the principal;

- (9) to execute, acknowledge, seal, and deliver any consent, agreement, authorization, assignment, revocation, notice, waiver of notice, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (10) to execute, acknowledge, and file any report or certificate required by law or governmental regulation;
- (11) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of or against the principal based on or involving any bond, share, or commodity transaction or to intervene in any related action or proceeding;
- (12) to hire, discharge, and compensate any attorney, accountant, expert witness or other assistant or assistants when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and
- (13) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to any interest in any bond, share, other instrument of similar character, commodity, or instrument with respect to a commodity.

All powers described in this subdivision are exercisable equally with respect to any interest in any bond, share or other instrument of similar character, commodity, or instrument with respect to a commodity owned by the principal at the giving of the power of attorney or acquired after that time, whether located in the state of Minnesota or elsewhere.

- Subd. 4. [BANKING TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to banking transactions, means that the principal authorizes the attorney-in-fact:
- (1) to continue, modify, and terminate any deposit account or other banking arrangement made by or on behalf of the principal prior to the execution of the power of attorney;
- (2) to open in the name of the principal alone, or in a way that clearly evidences the principal and attorney-in-fact relationship, a deposit account of any type with any bank, trust company, savings and loan association, credit union, thrift company, brokerage firm, or other institution which serves as a depository for funds selected by the attorney-in-fact, to hire safe deposit box or vault space and to make other contracts for the procuring of other services made available by the banking institution as the attorney-in-fact deems desirable;
- (3) to make, sign, and deliver checks or drafts for any purpose, to withdraw by check, order, or otherwise any funds or property of the principal deposited with or left in the custody of any banking institution, wherever located, either before or after the execution of the power of attorney;
- (4) to prepare any necessary financial statements of the assets and liabilities or income and expenses of the principal for submission to any banking institution;
 - (5) to receive statements, vouchers, notices, or other documents from any

banking institution and to act with respect to them;

- (6) to enter at any time any safe deposit box or vault which the principal could enter if personally present;
- (7) to borrow money at any interest rate the attorney-in-fact selects, to pledge as security any assets of the principal the attorney-in-fact deems desirable or necessary for borrowing, to pay, renew, or extend the time of payment of any debt of the principal;
- (8) to make, assign, draw, endorse, discount, guarantee, and negotiate, all promissory notes, bills of exchange, checks, drafts, or other negotiable or nonnegotiable paper of the principal, or payable to the principal or his order, to receive the cash or other proceeds of any of those transactions, to accept any bill of exchange or draft drawn by any person upon the principal, and to pay it when due;
- (9) to receive for the principal and to deal in and to deal with any sight draft, warehouse receipt, or other negotiable or nonnegotiable instrument in which the principal has or claims to have an interest;
- (10) to apply for and to receive letters of credit from any banking institution selected by the attorney-in-fact, giving indemnity or other agreement in connection with the letters of credit which the attorney-in-fact deems desirable or necessary;
- (11) to consent to an extension in the time of payment with respect to any commercial paper or any banking transaction in which the principal has an interest or by which the principal is, or might be, affected in any way;
- (12) to demand, receive, obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any banking transaction, and to reimburse the attorney-in-fact for any expenditures properly made in the execution of the powers conferred upon the attorney-in-fact by the statutory short form power of attorney;
- (13) to execute, acknowledge, and deliver any instrument of any kind, in the name of the principal or otherwise, which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (14) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any banking transaction or to intervene in any related action or proceeding;
- (15) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and
- (16) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with any banking transaction which does or might in any way affect the financial or other interests of the principal.

All powers described in this subdivision are exercisable equally with re-

spect to any banking transaction engaged in by the principal at the giving of the power of attorney or engaged in after that time, and whether conducted in the state of Minnesota or elsewhere.

- Subd. 5. [BUSINESS OPERATING TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to business operating transactions, means that the principal authorizes the attorney-in-fact:
- (1) to discharge and perform any duty or liability and also to exercise any right, power, privilege, or option which the principal has, or claims to have, under any partnership agreement whether the principal is a general or limited partner, to enforce the terms of a partnership agreement for the protection of the principal, by action, proceeding, or otherwise, as the attorney-in-fact deems desirable or necessary, and to defend, submit to arbitration, settle, or compromise any action or other legal proceeding to which the principal is a party because of his membership in the partnership;
- (2) to exercise in person or by proxy or to enforce by action, proceeding, or otherwise, any right, power, privilege, or option which the principal has as the holder of any bond, share, or other instrument of similar character and to defend, submit to arbitration, settle or compromise any action or other legal proceeding to which the principal is a party because of a bond, share, or other instrument of similar character;
- (3) with respect to any business enterprise which is owned solely by the principal:
- (a) to continue, modify, renegotiate, extend, and terminate any contractual arrangements made with any person or entity, firm, association, or corporation by or on behalf of the principal with respect to the business enterprise prior to the granting of the power of attorney;
- (b) to determine the policy of the business enterprise as to the location of the site or sites to be used for its operation, the nature and extent of the business to be undertaken by it, the methods of manufacturing, selling, merchandising, financing, accounting, and advertising to be employed in its operation, the amount and types of insurance to be carried, the mode of securing, compensating, and dealing with accountants, attorneys, servants, and other agents and employees required for its operation, and to agree and to contract in any manner, with any person, and on any terms which the attorney-in-fact deems desirable or necessary for effectuating any or all of the decisions of the attorney-in-fact as to policy, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;
- (c) to change the name or form of organization under which the business enterprise is operated and to enter into a partnership agreement with other persons or to organize a corporation to take over the operation of the business or any part of the business, as the attorney-in-fact deems desirable or necessary;
- (d) to demand and receive all money which is or may become due to the principal or which may be claimed by the principal or on his behalf in the operation of the business enterprise, and to control and disburse the funds in the operation of the enterprise in any way which the attorney-in-fact deems

desirable or necessary, and to engage in any banking transactions which the attorney-in-fact deems desirable or necessary for effectuating the execution of any of the powers of the attorney-in-fact described in clauses (a) to (d);

- (4) to prepare, sign, file, and deliver all reports, compilations of information, returns, or other papers with respect to any business operating transaction of the principal, which are required by any governmental agency, department, or instrumentality or which the attorney-in-fact deems desirable or necessary for any purpose, and to make any related payments;
- (5) to pay, compromise, or contest taxes or assessments and to do any act or acts which the attorney-in-fact deems desirable or necessary to protect the principal from illegal or unnecessary taxation, fines, penalties, or assessments in connection with his business operations, including power to attempt to recover, in any manner permitted by law, sums paid before or after the execution of the power of attorney as taxes, fines, penalties, or assessments;
- (6) to demand, receive, obtain by action, proceeding, or otherwise, any money or other thing of value to which the principal is, may become, or may claim to be entitled as the proceeds of any business operation of the principal, to conserve, to invest, to disburse, or to use anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred upon the attorney-in-fact by the statutory short form power of attorney;
- (7) to execute, acknowledge, seal, and deliver any deed, assignment, mortgage, lease, notice, consent, agreement, authorization, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (8) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of, or against, the principal based on or involving any business operating transaction or to intervene in any related action or proceeding;
- (9) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and
- (10) in general, and in addition to all the specific acts listed in this subdivision, to do any other act which the attorney-in-fact deems desirable or necessary for the furtherance or protection of the interests of the principal in any business.

All powers described in this subdivision are exercisable equally with respect to any business in which the principal is interested at the time of giving of the power of attorney or in which the principal becomes interested after that time, and whether operated in the state of Minnesota or elsewhere.

- Subd. 6. [INSURANCE TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to insurance transactions, means that the principal authorizes the attorney-infact:
 - (1) to continue, pay the premium or assessment on, modify, rescind, re-

lease, or terminate any contract of life, accident, health, or disability insurance or for the provision of health care services, or any combination of these contracts procured by or on behalf of the principal prior to the granting of the power of attorney which insures either the principal or any other person, without regard to whether the principal is or is not a beneficiary under the contract:

- (2) to procure new, different, or additional contracts of life, accident, health, or disability insurance for the principal or for provision of health care services for the principal, to select the amount, the type of insurance and the mode of payment under each contract, to pay the premium or assessment on, modify, rescind, release or terminate, any contract so procured by the attorney-in-fact, and to designate the beneficiary of the contract, provided, however, that the attorney-in-fact cannot be named a beneficiary except, if permitted under subdivision 8, the attorney-in-fact can be named the beneficiary of death benefit proceeds under an insurance contract, or, if the attorney-in-fact was named as a beneficiary under the contract which was procured by the principal prior to the granting of the power of attorney, then the attorney-in-fact can continue to be named as the beneficiary under the contract or under any extension or renewal of or substitute for the contract;
- (3) to apply for and receive any available loan on the security of the contract of insurance, whether for the payment of a premium or for the procuring of cash, to surrender and then to receive the cash surrender value, to exercise any election as to beneficiary or mode of payment, to change the manner of paying premiums, to change or convert the type of insurance contract, with respect to any contract of life, accident, health, disability, or liability insurance as to which the principal has, or claims to have, any one or more of the powers described in this subdivision and to change the beneficiary of the contract of insurance, provided, however, that the attorney-in-fact cannot be a new beneficiary except, if permitted under subdivision 8, the attorney-infact can be the beneficiary of death benefit proceeds under an insurance contract, or, if the attorney-in-fact was named as a beneficiary under the contract which was procured by the principal prior to the granting of the power of attorney, then the attorney-in-fact can continue to be named as the beneficiary under the contract or under any extension or renewal of or substitute for the contract;
- (4) to demand, receive, obtain by action, proceeding, or otherwise, any money, dividend, or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any contract of insurance or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (5) to apply for and procure any available governmental aid in the guaranteeing or paying of premiums of any contract of insurance on the life of the principal;
- (6) to sell, assign, hypothecate, borrow upon, or pledge the interest of the principal in any contract of insurance;

- (7) to pay from any proceeds or otherwise, compromise, or contest, and to apply for refunds in connection with, any tax or assessment levied by a taxing authority with respect to any contract of insurance or the proceeds of the refunds or liability accruing by reason of the tax or assessment;
- (8) to agree and contract in any manner, with any person, and on any terms which the attorney-in-fact selects for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract;
- (9) to execute, acknowledge, seal, and deliver any consent, demand, request, application, agreement, indemnity, authorization, assignment, pledge, notice, check, receipt, waiver, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (10) to continue, procure, pay the premium or assessment on, modify, rescind, release, terminate, or otherwise deal with any contract of insurance, other than those enumerated in clause (1) or (2), whether fire, marine, burglary, compensation, liability, hurricane, casualty, or other type, or any combination of insurance, to do any act or acts with respect to the contract or with respect to its proceeds or enforcement which the attorney-in-fact deems desirable or necessary for the promotion or protection of the interests of the principal;
- (11) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any insurance transaction or to intervene in any related action or proceeding;
- (12) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistants when the attorney-in-fact deems the action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision and for the keeping of needed records; and
- (13) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with procuring, supervising, managing, modifying, enforcing, and terminating contracts of insurance or for the provisions of health care services in which the principal is the insured or is otherwise in any way interested.

All powers described in this subdivision are exercisable with respect to any contract of insurance or for the provision of health care service in which the principal is in any way interested, whether made in the state of Minnesota or elsewhere.

- Subd. 7. [BENEFICIARY TRANSACTIONS.] In the statutory short form power of attorney, the language conferring general authority with respect to beneficiary transactions, means that the principal authorizes the attorney-infact:
- (1) to represent and act for the principal in all ways and in all matters affecting any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund out of which the principal is entitled, or claims to be entitled, as a beneficiary, to some share or payment, including, but not limited to the following:

- (a) to accept, reject, disclaim, receive, receipt for, sell, assign, release, pledge, exchange, or consent to a reduction in or modification of any share in or payment from the fund;
- (b) to demand or obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, may become, or may claim to be entitled by reason of the fund, to initiate, to participate in, and to oppose any proceeding, judicial, or otherwise, for the ascertainment of the meaning, validity, or effect of any deed, declaration of trust, or other transaction affecting in any way the interest of the principal, to initiate, participate in, and oppose any proceeding, judicial or otherwise, for the removal, substitution, or surcharge of a fiduciary, to conserve, invest, disburse, or use anything so received for purposes listed in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (c) to prepare, sign, file, and deliver all reports, compilations of information, returns, or papers with respect to any interest had or claimed by or on behalf of the principal in the fund, to pay, compromise, or contest, and apply for and receive refunds in connection with, any tax or assessment, with respect to any interest had or claimed by or on behalf of the principal in the fund or with respect to any property in which an interest is had or claimed;
- (d) to agree and contract in any manner, with any person, and on any terms the attorney-in-fact selects, for the accomplishment of the purposes listed in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;
- (e) to execute, acknowledge, verify, seal, file, and deliver any deed, assignment, mortgage, lease, consent, designation, pleading, notice, demand, election, conveyance, release, assignment, check, pledge, waiver, admission of service, notice of appearance, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision:
- (f) to submit to arbitration or settle and propose or accept a compromise with respect to any controversy or claim which affects the administration of the fund, in any one of which the principal has, or claims to have, an interest, and to do any and all acts which the attorney-in-fact deems to be desirable or necessary in effectuating the compromise;
- (g) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant, when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records;
- (h) to transfer any part or all of any interest which the principal may have in any interests in real estate, stocks, bonds, bank accounts, insurance, and any other assets of any kind and nature, to the trustee of any revocable trust created by the principal as grantor.

For the purposes of clauses (a) to (h), "the fund" means any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or any other fund in which the principal has or claims to have an interest.

(2) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to the administration of a trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund, in which the principal has, or claims to have, an interest as a beneficiary.

All powers described in this subdivision are exercisable equally with respect to the administration or disposition of any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund in which the principal is interested at the giving of the power of attorney or becomes interested after that time, as a beneficiary, and whether located in the state of Minnesota or elsewhere.

- Subd. 8. [GIFT TRANSACTIONS.] In the statutory short form power of attorney, the language conferring general authority with respect to gift transactions, means that the principal authorizes the attorney-in-fact:
- (1) to make gifts to organizations, whether charitable or otherwise, to which the principal has made gifts, and to satisfy pledges made to organizations by the principal;
- (2) to make gifts on behalf of the principal to the principal's spouse, children, and other descendants or the spouse of any child or other descendant, either outright or in trust, for purposes which the attorney-in-fact deems to be in the best interest of the principal, specifically including minimization of income, estate, inheritance, or gift taxes, provided that no attorney-in-fact nor anyone the attorney-in-fact has a legal obligation to support may be the recipient of any gifts in any one calendar year which, in the aggregate, exceed \$10,000 in value to each recipient;
- (3) to prepare, execute, consent to on behalf of the principal, and file any return, report, declaration, or other document required by the laws of the United States, any state or subdivision of a state, or any foreign government, which the attorney-in-fact deems to be desirable or necessary with respect to any gift made under the authority of this subdivision;
- (4) to execute, acknowledge, seal, and deliver any deed, assignment, agreement, authorization, check, or other instrument which the attorney-infact deems useful for the acomplishment of any of the purposes enumerated in this subdivision;
- (5) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any gift transaction or to intervene in any related action or proceeding;
- (6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and
- (7) in general, and in addition to but not in contravention of all the specific acts listed in this subdivision, to do any other acts which the attorney-in-fact deems desirable or necessary to complete any gift on behalf of the principal.

All powers described in this subdivision are exercisable equally with respect to a gift of any property in which the principal is interested at the giving of the power of attorney or becomes interested after that time, and whether

located in the state of Minnesota or elsewhere.

- Subd. 9. [FIDUCIARY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to fiduciary transactions, means that the principal authorizes the agent:
- (1) to apply for and procure, in the name of the principal, letters of administration, letters testamentary, letters of guardianship or conservatorship, or any other type of authority, either judicial or administrative, to act as a fiduciary of any sort;
- (2) to represent and act for the principal in all ways and in all matters affecting any fund with respect to which the principal is a fiduciary;
- (3) to initiate, participate in, and oppose any proceeding, judicial or otherwise, for the removal, substitution, or surcharge of a fiduciary, to conserve, to invest or to disburse anything received for the purposes of the fund for which it is received, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (4) to agree and contract, in any manner, with any person, and on any terms which the attorney-in-fact selects for the accomplishment of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;
- (5) to execute, acknowledge, verify, seal, file, and deliver any consent, designation, pleading, notice, demand, election, conveyance, release, assignment, check, pledge, waiver, admission of service, notice of appearance, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistants, when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and
- (7) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to a fund of which the principal is a fiduciary.

For the purposes of clauses (1) to (7), "fund" means any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or any other fund in which the principal has, or claims to have, an interest as a fiduciary.

All powers described in this subdivision are exercisable equally with respect to any fund of which the principal is a fiduciary to the giving of the power of attorney or becomes a fiduciary after that time, and whether located in the state of Minnesota or elsewhere.

- Subd. 10. [CLAIMS AND LITIGATION.] In a statutory short form power of attorney, the language conferring general authority with respect to claims and litigation, means that the principal authorizes the attorney-in-fact:
- (1) to assert and prosecute before any court, administrative board, department, commissioner, or other tribunal, any cause of action, claim, counter-

claim, offset, or defense, which the principal has, or claims to have, against any individual, partnership, association, corporation, government, or other person or instrumentality, including, by way of illustration and not of restriction, power to sue for the recovery of land or of any other thing of value, for the recovery of damages sustained by the principal in any manner, for the elimination or modification of tax liability, for an injunction, for specific performance, or for any other relief;

- (2) to bring an action of interpleader or other action to determine adverse claims, to intervene or interplead in any action or proceeding, and to act in any litigation as amicus curiae;
- (3) in connection with any action or proceeding or controversy at law or otherwise, to apply for and, if possible, procure a libel, an attachment, a garnishment, an order of arrest, or other preliminary, provisional, or intermediate relief and to resort to and to utilize in all ways permitted by law any available procedure for the effectuation or satisfaction of the judgment, order, or decree obtained;
- (4) in connection with any action or proceeding, at law or otherwise, to perform any act which the principal might perform, including by way of illustration and not of restriction, acceptance of tender, offer of judgment, admission of any facts, submission of any controversy on an agreed statement of facts, consent to examination before trial, and generally to bind the principal in the conduct of any litigation or controversy as seems desirable to the attorney-in-fact;
- (5) to submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal or any litigation to which the principal is, may become, or may be designated a party;
- (6) to waive the issuance and service of a summons, citation, or other process upon the principal, accept service of process, appear for the principal, designate persons upon whom process directed to the principal may be served, execute and file or deliver stipulations on the principal's behalf, verify pleadings, appeal to appellate tribunals, procure and give surety and indemnity bonds at the times and to the extent the attorney-in-fact deems desirable or necessary, contract and pay for the preparation and printing of records and briefs, receive and execute and file or deliver any consent, waiver, release, confession of judgment, satisfaction of judgment, notice, agreement, or other instrument which the attorney-in-fact deems desirable or necessary in connection with the prosecution, settlement, or defense of any claim by or against the principal or of any litigation to which the principal is or may become or be designated a party;
- (7) to appear for, represent, and act for the principal with respect to bankruptcy or insolvency proceedings, whether voluntary or involuntary, whether of the principal or of some other person, with respect to any reorganization proceeding, or with respect to any receivership or application for the appointment of a receiver or trustee which, in any way, affects any interest of the principal in any real property, bond, share, commodity interest, tangible personal property, or other thing of value;
 - (8) to hire, discharge, and compensate any attorney, accountant, expert

witness or other assistant when the attorney-in fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision;

- (9) to pay, from funds in the control of the attorney-in-fact or for the account of the principal, any judgment against the principal or any settlement which may be made in connection with any transaction enumerated in this subdivision, and to receive and conserve any money or other things of value paid in settlement of or as proceeds of one or more of the transactions enumerated in this subdivision, and to receive, endorse, and deposit checks; and
- (10) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with any claim by or against the principal or with litigation to which the principal is or may become or be designated a party.

All powers described in this subdivision are exercisable equally with respect to any claim or litigation existing at the giving of the power of attorney or arising after that time, and whether arising in the state of Minnesota or elsewhere.

- Subd. 11. [FAMILY MAINTENANCE.] In a statutory short form power of attorney, the language conferring general authority with respect to family maintenance, means that the principal authorizes the attorney-in-fact:
- (1) to do all acts necessary for maintaining the customary standard of living of the spouse and children, and other persons customarily supported by the principal, including by way of illustration and not by way of restriction, power to provide living quarters by purchase, lease, or other contract, or by payment of the operating costs, including interest, amortization payments, repairs, and taxes of premises owned by the principal and occupied by his family or dependents, to provide normal domestic help for the operation of the household, to provide usual vacations and usual travel expenses, to provide usual educational facilities, and to provide funds for all the current living costs of the spouse, children, and other dependents, including, among other things, shelter, clothing, food, and incidentals;
- (2) to pay for necessary medical, dental, and surgical care, hospitalization, and custodial care for the spouse, children, and other dependents of the principal;
- (3) to continue whatever provision has been made by the principal, either prior to or after the execution of the power of attorney, for his spouse and other persons customarily supported by the principal, with respect to automobiles, or other means of transportation, including by way of illustration but not by way of restriction, power to license, insure, and replace any automobiles owned by the principal and customarily used by the spouse, children, or other persons customarily supported by the principal;
- (4) to continue whatever charge accounts have been operated by the principal prior to the execution of the power of attorney or thereafter for the convenience of his spouse, children, or other persons customarily supported by the principal, to open new accounts the attorney-in-fact deems to be desirable for the accomplishment of any of the purposes enumerated in this subdivision, and to pay the items charged on those accounts by any person authorized or permitted by the principal to make charges prior to the execu-

tion of the power of attorney;

- (5) to continue payments incidental to the membership or affiliation of the principal in any church, club, society, order, or other organization or to continue contributions to those organizations;
- (6) to demand, receive, obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is or may become or may claim to be entitled as salary, wages, commission, or other remuneration for services performed, or as a dividend or distribution upon any stock, or as interest or principal upon any indebtedness, or any periodic distribution of profits from any partnership or business in which the principal has or claims an interest, and to endorse, collect, or otherwise realize upon any instrument for the payment received;
- (7) to use any asset of the principal for the performance of the powers enumerated in this subdivision, including by way of illustration and not by way of restriction, power to draw money by check or otherwise from any bank deposit of the principal, to sell any interest in real property, bond, share, commodity interest, tangible personal property, or other asset of the principal, to borrow money and pledge as security for a loan, any asset, including insurance, which belongs to the principal;
- (8) to execute, acknowledge, verify, seal, file, and deliver any application, consent, petition, notice, release, waiver, agreement, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;
- (9) to hire, discharge, and compensate any attorney, accountant, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by any of the powers described in this subdivision, and for the keeping of needed records; and
- (10) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts for the welfare of the spouse, children, or other persons customarily supported by the principal or for the preservation and maintenance of the other personal relationships of the principal to parents, relatives, friends, and organizations as are appropriate.

All powers described in this subdivision are exercisable equally whether the acts required for their execution relate to real or personal property owned by the principal at the giving of the power of attorney or acquired after that time and whether those acts are performable in the state of Minnesota or elsewhere.

- Subd. 12. [BENEFITS FROM MILITARY SERVICE.] In a statutory short form power of attorney, the language conferring general authority with respect to benefits from military service, means that the principal authorizes the attorney-in-fact:
- (1) to execute vouchers in the name of the principal for any and all allowances and reimbursements payable by the United States or by any state or subdivision of a state to the principal, including, by way of illustration and not of restriction, all allowances and reimbursements for transportation of the principal and of his dependents, and for shipment of household effects, to receive, endorse, and collect the proceeds of any check payable to the order

of the principal drawn on the treasurer or other fiscal officer or depository of the United States or of any state or subdivision of a state;

- (2) to take possession and order the removal and shipment of any property of the principal from any post, warehouse, depot, dock, or other place of storage or safekeeping, either governmental or private, to execute and deliver any release, voucher, receipt, bill of lading, shipping ticket, certificate, or other instrument which the attorney-in-fact deems desirable or necessary for that purpose;
- (3) to prepare, file, and prosecute the claim of the principal to any benefit or assistance, financial or otherwise, to which the principal is, or claims to be, entitled, under the provisions of any statute or regulation existing at the execution of the power of attorney or enacted after that time by the United States or by any state or by any subdivision of a state, or by any foreign government, which benefit or assistance arises from or is based upon military service performed prior to or after the execution of the power of attorney by the principal or by any person related by blood or marriage to the principal, to execute any receipt or other instrument which the attorney-in-fact deems desirable or necessary for the enforcement or for the collection of that claim;
- (4) to receive the financial proceeds of any claim of the type described in this subdivision, to conserve, invest, disburse, or use anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by him in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;
- (5) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any benefits from military service or to intervene in any related action or proceeding;
- (6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision; and
- (7) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts which the attorney-in-fact deems desirable or necessary, to assure to the principal, and to the dependents of the principal, the maximum possible benefit from the military service performed prior to or after the execution of the power of attorney by the principal or by any person related by blood or marriage to the principal.

All powers described in this subdivision are exercisable equally with respect to any benefits from military service existing at the giving of the power of attorney or accruing after that time, and whether accruing in the state of Minnesota or elsewhere.

- Subd. 13. [RECORDS, REPORTS, AND STATEMENTS.] In a statutory short form power of attorney, the language conferring general authority with respect to records, reports, and statements means that the principal authorizes the attorney-in-fact:
 - (1) to keep records of all cash received and disbursed for or on account of

the principal, of all credits and debits to the account of the principal, and of all transactions affecting in any way the assets and liabilities of the principal;

- (2) to prepare, execute, and file all tax and tax information returns, for all periods, required by the laws of the United States, any state or any subdivision of a state, or any foreign government, to prepare, execute, and file all other tax-related documents for all tax periods, including requests for extension of time, offers, waivers, consents, powers of attorney, closing agreements, and petitions to any tax court regarding tax matters, and to prepare, execute, and file all other instruments which the attorney-in-fact deems desirable or necessary for the safeguarding of the principal against excessive or illegal taxation or against penalties imposed for claimed violation of any law or other governmental regulation, it being the intent of this provision that it is sufficiently definite to permit the attorney-in-fact to represent the principal respecting all taxes that the principal has paid and all tax returns that the principal has filed, either personally or through an agent, with the Internal Revenue Service or any other agency of the United States government, any state department of revenue, any political subdivision of a state, and any foreign country or political subdivision of a foreign country;
- (3) to prepare, execute, and file any return, report, declaration, or other document required by the laws of the United States, any state, subdivision of a state, or any foreign government, including, by way of illustration and not as a limitation, any report or declaration required by the Social Security Administration, the commissioner of economic security or other, similar, governmental agency, which the attorney-in-fact deems to be desirable or necessary for the safeguarding or maintenance of the principal's interest;
- (4) to prepare, execute, and file any record, report, or statement which the attorney-in-fact deems desirable or necessary for the safeguarding or maintenance of the principal's interest, with respect to price, rent, wage, or rationing control, or other governmental activity;
- (5) to hire, discharge, and compensate any attorney, accountant, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision; and
- (6) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with the preparation, execution, filing, storage, or other use of any records, reports, or statements of or concerning the principal's affairs.

All powers described in this subdivision are exercisable equally with respect to any records, reports, or statements of or concerning the affairs of the principal existing at the giving of the power of attorney or arising after that time, and whether arising in the state of Minnesota or elsewhere.

- Subd. 14. [ALL OTHER MATTERS.] In a statutory short form power of attorney, the language conferring general authority with respect to all other matters, means that the principal authorizes the attorney-in-fact to act as an alter ego of the principal with respect to any and all possible matters and affairs affecting property owned by the principal which are not enumerated in subdivisions 1 to 13, and which the principal can do through an agent.
- Sec. 27. [523.25] [MODIFICATION TO STATUTORY SHORT FORM POWER OF ATTORNEY.]

A power of attorney which satisfies the requirements of section 25, subdivision 1, is not prevented from being a statutory short form power of attorney, by the fact that: (1) it creates a nondurable power of attorney instead of a durable power of attorney; (2) it provides for one or more named successors to the attorney-in-fact originally named; or (3) it provides that the attorney-in-fact must render an accounting to the principal or other designated person.

Sec. 28. Minnesota Statutes 1982, section 528.15, is amended to read:

528.15 [PURPOSE; FORMS.]

The declared purpose of sections 528.01 to 528.16 528.15 is to render certainty to the nature of accounts of deposit in relation to the rights of survivorship, and to distinguish accounts of survivorship from accounts established for the purpose of having an agent with power to draw on the account for the convenience of the owner with no survivorship rights in the agent. To further accomplish this purpose, the forms contained in this section are recommended for use to be kept on file in the depository financial institution. Deposits made using a form of account containing the following language signed by the depositor shall be conclusive evidence of the intent of decedent to establish a survivorship account in the absence of fraud or misrepresentation, subject, nevertheless, to other disposition made by will specifically referring to the account as otherwise provided in section 528.05, clause (e), the form to read as follows:

"The undersigned signators of this account hereby acknowledge that the depositor or depositors, both as to the original deposit and any subsequent deposits, intend that such funds as may constitute the account balance upon the death of any party to this account, shall be the property of the surviving party or parties who shall take as a surviving joint tenant.

If two or more persons shall be the survivors, their interests shall continue to be held as joint tenants with right of survivorship.

Where no rights of survivorship are intended and the account is one to be established for convenience only between a depositor and his agent, the following language is recommended for use, and when so used, any account deposited in the form shall be construed as a matter of law to be an account subject to a power of attorney with no survivorship rights, the form to read as follows:

"I	(grantor	of power), hereby	y constitute and appoint
	(grantee of pow	ver), as my attom	ey in fact, to deposit or
withdraw fur	nds held in	(name o	f bank), in account No.

Dated:

The power so granted is subject to the provisions of section 528.16 sections 3 to 27.

Sec. 29. [REPEALER.]

Minnesota Statutes 1982, sections 51A.25; 507.291; 507.292; 507.293; 507.294; 507.39; 524.5-501; 524.5-502; and 528.16, are repealed."

Amend the title as follows:

Page 1, line 5, after the second semicolon, insert "528.15;"

Page 1, line 7, delete "354.10;"

Page 1, line 8, after the second semicolon, insert "507.294;" and after "507.39;" insert "524.5-501;"

Page 1, line 8, delete "524.5-505;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1491: A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 8 and 22, delete "16" and insert "15"

Page 1, delete section 2

Page 2, line 31, delete "means" and insert "includes but is not limited to"

Page 2, lines 34 and 35, delete "expert witness"

Page 2, line 34, delete "child-rearing" and insert "childrearing"

Page 3, line 2, delete "child-rearing" and insert "childrearing"

Page 3, line 4, delete "means a person so designated" and insert "of either parent shall be defined"

Page 3, line 27, delete "16" and insert "15"

Page 3, line 36, delete "bank" and insert "band"

Page 4, line 4, before the period, insert ", and exercising tribal governmental powers"

Page 4, line 12, after the period, insert "It does not include an unmarried father whose paternity has not been acknowledged or established."

Page 4, line 14, delete "individual,"

Page 5, line 13, delete ", including" and insert a period

Page 5, delete lines 14 and 15

Page 5, line 18, after "the" insert "local" and delete "or"

Page 5, line 19, delete "private child placing agency"

Page 5, lines 21 and 23, delete "8" and insert "7"

Page 5, line 23, before the period, insert ", excluding weekends and holi-

days''

Page 5, after line 23, insert:

"If a private licensed child placing agency makes a temporary voluntary foster care placement pending a decision on adoption by a parent, notice of the placement need not be given pursuant to section 7 until the filing of a petition for termination of parental rights or until four months following the temporary voluntary placement, whichever occurs first."

Page 5, line 28, delete everything after "review" and insert a period

Page 5, delete line 29

Page 6, line 4, after the period, insert "In any case where the tribal court orders placement through a local social service agency, the court shall provide to the local agency notice and an opportunity to be heard regarding the placement. Financial responsibility for placement shall be determined by the local social service agency and shall be subject to review by the commissioner in accordance with sections 14.01 to 14.69."

Page 6, line 32, after "PROCEEDING" insert "; NOTICE"

Page 9, line 2, delete "decree of termination or adoption" and insert "judgment"

Page 9, line 4, delete "; UNDUE INFLUENCE"

Page 9, lines 7 and 9, delete "undue influence," and delete the second comma

Page 9, line 11, after the period, insert "No adoption which has been effective for at least two years may be invalidated under this subdivision."

Page 10, line 13, after the period, insert "If a consenting parent expresses a desire for anonymity, the court or agency shall give weight to that desire in applying the preferences."

Page 10, line 28, delete "identifying and locating" and insert "making reasonable efforts to identify and locate".

Page 11, line 5, delete "3 to 10" and insert "2 to 9"

Page 11, line 15, delete "8" and insert "7"

Page 11, line 22, delete "of" and insert "or"

Page 11, line 28, delete "individual" and insert "adopted Indian adult"

Page 11, line 29, delete "individual's" and insert "adopted Indian adult's"

Page 12, lines 7 and 16, delete "16" and insert "15"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 1156: A bill for an act relating to the revisor of statutes; recodi-

fying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; amending Minnesota Statutes 1982, sections 15.18; 16.02, subdivision 24; 60B.01, subdivision 1; 336.1-101; 480.057; and 524.1-101; proposing new law coded in Minnesota Statutes, chapter 645; proposing new law coded as Minnesota Statutes, chapter 3C; repealing Minnesota Statutes 1982, sections 645.03; 645.04; 645.05; and 645.06; and chapters 482 and 648.

Reports the same back with the recommendation that the bill be amended as follows:

Page 14, after line 27, insert:

"Sec. 22. [MINNESOTA STATUTES; GENDER-SPECIFIC TERMINOLOGY TO BE REMOVED.]

Subdivision 1. [GUIDELINES FOR REVISION.] The revisor of statutes shall prepare guidelines for the removal of specific-gender references applicable to human beings from Minnesota Statutes without substantive change in legal effect. The guidelines shall be similar to the guidelines for style and form bills drafted under Minnesota Statutes, section 482.09, paragraph 6, and section 648.37, subdivision 2. The guidelines shall provide for preferred and alternative methods of removing specific-gender references. The guidelines shall give specific attention to replacing masculine pronouns and possessives with either neutral or equal references. Specific-gender references may be retained only when necessary to avoid changes in legal effect or where the context requires the retention. The revisor should not use coined or otherwise artificial words in substitution for specific-gender references. The revisor shall avoid, wherever possible, the substitution of a combination of masculine and feminine personal pronouns for a masculine personal pronoun.

Subd. 2. [PREPARATION OF REVISION.] The revisor shall prepare a revision of Minnesota Statutes accomplishing the changes following the prepared guidelines. The text of the revised Minnesota Statutes must show all changes by strikes and underlines in a fashion similar to bill drafts.

The legislature intends that the work of revising Minnesota Statutes be performed with existing staff and other resources. However, the revision is to be given high priority among the tasks that are or will also be assigned.

If the revisor needs additional substantive authorization or clarification of the authority provided in this section in order to complete the revision, then the revisor shall request it.

- Subd. 3. [COPIES TO CONCERNED PARTIES; RECOMMENDA-TIONS.] The revisor shall provide a copy of the proposed revision of a statute to any agency involved in administering a statute. If no agency is involved, then a copy must be furnished to the attorney general. The revisor shall also furnish a copy to any person requesting a copy. The revisor shall receive recommendations of anyone caring to submit them before preparing a final revision of the statutes.
- Subd. 4. [FILING AND ADOPTION.] When the revision is complete, the revisor shall certify it and file it with the secretary of state. The revisor shall file it not later than January 1, 1988. The legislature intends to amend Min-

nesota Statutes by reference to the revision prepared by the revisor and filed with the secretary of state. No change is effective until adopted by the legislature. The procedure for adoption will be that used to adopt Minnesota Revised Statutes 1943. The legislature may amend the revisor's revision when adopting the revision.

Subd. 5. [OVERSIGHT.] The revisor's work on this revision shall be monitored by the revisor's bill subcommittee that is usually appointed by the judiciary committees of the two houses."

Page 14, line 28, delete "22" and insert "23"

Amend the title as follows:

Page 1, line 2, delete "the revisor of statutes" and insert "Minnesota Statutes"

Page 1, line 4, after the semicolon, insert "providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes; setting goals; providing for the accomplishment of goals within existing resources;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1318: A bill for an act relating to peace officers; requiring prompt investigation of reports of missing children; proposing new law coded in Minnesota Statutes, chapter 626.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [518.177] [NOTIFICATION REGARDING DEPRIVATION OF PARENTAL RIGHTS LAW.]

Every court order, whether temporary or final, concerning custody of or visitation with a child or stepchild under the age of 18 shall summarize and provide notice to parents, stepparents, or guardians of the provisions of section 609.26.

- Sec. 2. Minnesota Statutes 1982, section 609.26, is amended to read:
- 609.26 [OBTAINING OR RETAINING A CHILD DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS.]

Subdivision 1. Whoever intentionally takes, detains or fails to return does any of the following acts is guilty of a felony and may be sentenced as provided in subdivision 5:

- (1) conceals his own child or stepchild under the age of 18 years in violation of an existing court order which grants another person rights of custody may be sentenced as provided in subdivision 5 from the other parent, stepparent, or a legal custodian, where the action manifests an intent substantially to deprive that parent, stepparent, or custodian of his rights to the child;
 - (2) takes, obtains, retains, or fails to return his own child or stepchild under

the age of 18 in violation of a court order which has transferred legal custody under chapter 260 to the commissioner of public welfare, a child placing agency, or the county welfare board;

- (3) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to the parent, stepparent, or person having legal custody or visitation rights under a court order, where the action manifests an intent substantially to deprive that parent, stepparent, or legal custodian of his rights to the child; or
- (4) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to a parent or stepparent after being served with process in an action affecting marriage but prior to the issuance of a temporary or final order determining custody or visitation rights, where the action manifests an intent substantially to deprive that parent or stepparent of his rights to the child.
- Subd. 2. [DEFENSES.] Whoever detains or fails to return a child under the age of 18 years knowing that the physical custody of the child has been obtained or retained by another in violation of subdivision 1 may be sentenced as provided in subdivision 5. No person violates subdivision 1 if the action:
- (1) is taken to protect the child or the person taking the action from imminent physical harm or sexual assault;
- (2) is consented to by the parent, stepparent, or legal custodian seeking prosecution; or
 - (3) is otherwise authorized by a court order.

The defenses provided in this subdivision are in addition to and do not limit other defenses available under this chapter or chapter 611.

- Subd. 3. [VENUE.] A person who violates this section may be prosecuted and tried either in the county in which the child was taken, concealed, or detained or in the county of lawful residence of the child.
- Subd. 4. [RETURN OF CHILD; COSTS.] A child who has been concealed, obtained, or retained in violation of this section shall be returned to the person having lawful custody of the child or shall be taken into custody pursuant to section 260.165, subdivision 1, paragraph (c), clause (2). In addition to any sentence imposed, the court may assess any expense incurred in returning the child against any person convicted of violating this section. The court may direct the appropriate county welfare agency to provide counseling services to a child who has been returned pursuant to this subdivision.
- Subd. 5. [PENALTY.] Whoever violates this section may be sentenced as follows:
- (1) To imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both, if he voluntarily returns the child within 14 days after he takes, detains or fails to return the child in violation of this section; or
- (2) Otherwise to imprisonment for not more than one year and one day or to payment of a fine of \$1,000 \$3,000, or both.
- Subd. 6. [REPORTING OF DEPRIVATION OF PARENTAL RIGHTS.] Any violation of this section shall be reported pursuant to section 3.

- Sec. 3. Minnesota Statutes 1982, section 626.556, is amended by adding a subdivision to read:
- Subd. 3a. [REPORT OF DEPRIVATION OF PARENTAL RIGHTS.] A person mandated to report under subdivision 3, who knows or has reason to know of a violation of section 609.26, shall report the information to the local police department or the county sheriff. Receipt by a local welfare agency of a report or notification of a report of a violation of section 609.26 shall not be construed to invoke the duties of subdivisions 10, 10a, or 10b of this section.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are effective August 1, 1984. Section 2 is effective August 1, 1984, and applies to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1807: A bill for an act relating to commerce; clarifying the right of indirect purchasers to sue for damages under the Minnesota Antitrust Law of 1971; amending Minnesota Statutes 1982, section 325D.57.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, after the period, insert "In any subsequent action arising from the same conduct, the court may take any steps necessary to avoid duplicative recovery against a defendant."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1320: A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "judge of the district or county or county municipal" and insert "person"

Page 1, line 15, strike "court" and delete the new language

Page 2, delete section 2

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1833: A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after the stricken "9" insert "if the victim was under the age of 18 years" and reinstate the stricken "at the"

Page 1, line 20, reinstate the stricken language

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1762: A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing a sanction for intentional delays; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.117; 363.14, subdivision 1; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; and 363.071, subdivision 2; proposing new law coded in chapter 363.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [363.031] [WAIVER PROHIBITED.]

Any provision, whether oral or written, of a lease, contract, or other agreement or instrument, which purports to be a waiver by an individual of any right or remedy provided in chapter 363 is contrary to public policy and void. Nothing in this section shall be construed to prevent a waiver given in full and final written settlement of an existing, identified claim, whether by grievance, mediation, arbitration, or other settlement agreement.

Sec. 2. Minnesota Statutes 1982, section 363.06, subdivision 1, is amended to read:

Subdivision 1. [CHARGE FILING.] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or his designated agent, stating the name and address of the person alleged to have committed an unfair discriminatory practice, setting out the details of the practice complained of and, if applicable, providing witnesses, documents, and any other information required by the commissioner. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within five days of the filing shall serve a copy of the charge and a request for a response upon the respondent

personally or by registered or certified first class mail. After the filing of a charge the commissioner shall notify the charging party in writing of any change in the status of the charge. A copy of the notice shall be mailed to the respondent.

- Sec. 3. Minnesota Statutes 1982, section 363.06, subdivision 3, is amended to read:
- Subd. 3. [TIME FOR FILING CLAIM.] A claim of an unfair discriminatory practice must be brought as a civil action pursuant to section 363.14, subdivision 1, clause (a), filed in a charge with a local commission pursuant to section 363.116, or filed in a charge with the commissioner within six months 300 days after the occurrence of the practice. The running of the 300 day limitation period is suspended during the time a potential charging party and respondent are voluntarily engaged in a dispute resolution process involving a claim of unlawful discrimination under chapter 363, including arbitration, conciliation, mediation or grievance procedures pursuant to a collective bargaining agreement or statutory, charter, or ordinance provisions for a civil service or other employment system, provided that the suspension shall not occur unless a potential responding party has agreed to the suspension in writing filed with the department. A potential respondent who participates in such a process with a potential charging party before a charge is filed or a civil action is brought shall notify the department and the charging party in writing of his or her participation in the process and the date the process commenced, and shall also notify the department and the charging party of the ending date of the process. A respondent who fails to provide this notification is barred from raising the defense that the statute of limitations has run unless the 300 days plus a period of time equal to the suspension period has passed.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 363.06, subdivision 4, is amended to read:
- Subd. 4. [INQUIRY INTO CHARGE.] (1) Consistent with clause (7), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when necessary to prevent a charging party from suffering irreparable loss in the absence of immediate action. The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges. On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and
- (2) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider his determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse his determination of no proba-

ble cause within 20 days after receipt of the request for reconsideration, and he shall within ten days notify in writing the charging party and respondent of his decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section 363.072 or sections 14.63 to 14.68.

- (3) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and his attorney if he is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified first class mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.
- (4) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining him from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. Except as modified by this section, the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.
- (5) If a lessor, after he has engaged in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.
- (6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date six months 300 days prior to the filing of the charge from which the complaint originates.

- (7) The commissioner may adopt policies to determine which charges are processed and the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.
- (8) The commissioner shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.
- Sec. 5. Minnesota Statutes 1982, section 363.071, is amended by adding a subdivision to read:
- Subd. 1a. [HEARINGS 180 DAYS AFTER CHARGE.] At any time after 180 days from the filing of a charge, if there has been neither a finding of probable cause nor of no probable cause, any party may file a request with the commissioner to appear at a hearing on his own behalf or through a private attorney. Upon receipt of the request, the commissioner shall review the documents and information held in the department's files concerning the charge and shall release to the parties all documents and information that is accessible to the parties under sections 13.01 to 13.87. The commissioner shall forward the request for hearing to the office of administrative hearings, which shall promptly set the matter for hearing. If the charging party prevails at this hearing, the hearing examiner may require the respondent to reimburse the charging party for reasonable attorney's fees.
- Sec. 6. Minnesota Statutes 1983 Supplement, section 363.071, subdivision 2, is amended to read:
- Subd. 2. [DETERMINATION OF DISCRIMINATORY PRACTICE.] The hearing examiner shall make findings of fact and conclusions of law, and if the hearing examiner finds that the respondent has engaged in an unfair discriminatory practice, the hearing examiner shall issue an order directing the respondent to cease and desist from the unfair discriminatory practice found to exist and to take such affirmative action as in the judgment of the examiner will effectuate the purposes of this chapter. Such order shall be a final decision of the department. The examiner shall order any respondent found to be in violation of any provision of section 363.03 to pay a civil penalty to the state. This penalty is in addition to compensatory and punitive damages to be paid to an aggrieved party. The hearing examiner shall determine the amount of the civil penalty to be paid, taking into account the seriousness and extent of the violation, the public harm occasioned by the violation, whether the violation was intentional, and the financial resources of the respondent. Any penalties imposed under this provision shall be paid into the general fund of the state. In all cases where the examiner may finds that the respondent has engaged in an unfair discriminatory practice the examiner shall order the respondent to pay an aggrieved party, who has suffered discrimination, compensatory damages, including damages for mental anguish or suffering, and, in an amount up to three times the actual damages sustained. Notwithstanding section 549.09, the order shall include interest from the date of the unlawful discriminatory practice on claims where the damages are readily ascertainable by computation or reference to generally recognized standards and not where the amount of damages depends on contingencies or the hearing examiner's discretion. Interest shall be calculated

pursuant to section 549.09. In all cases, the examiner may also order the respondent to pay an aggrieved party, who has suffered discrimination, reasonable attorney's fees, in addition to punitive damages in an amount not more than \$6,000. Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or ex officio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision. In addition to the aforesaid remedies, in a case involving discrimination in

- (a) employment, the examiner may order the hiring, reinstatement or upgrading of an aggrieved party, who has suffered discrimination, with or without back pay, admission or restoration to membership in a labor organization, or his admission to or participation in an apprenticeship training program, on-the-job-training program, or other retraining program, or any other relief the examiner deems just and equitable.
- (b) housing, the examiner may order the sale, lease, or rental of the housing accommodation or other real property to an aggrieved party, who has suffered discrimination, or the sale, lease or rental of a like accommodation or other real property owned by or under the control of the person against whom the complaint was filed, according to terms as listed with a real estate broker, or if no such listing has been made, as otherwise advertised or offered by the vendor or lessor, or any other relief the examiner deems just and equitable.

The examiner shall cause the findings of fact, conclusions of law, and order to be served on the respondent personally, the charging party by registered or certified first class mail, and shall furnish copies to the attorney general and the commissioner.

Sec. 7. Minnesota Statutes 1983 Supplement, section 363.072, subdivision 1, is amended to read:

Subdivision 1. [APPEAL.] The commissioner or a person aggrieved by a final decision of the department reached after a hearing held pursuant to section 363.071 may seek judicial review in accordance with chapter 14. The attorney general shall represent on appeal, a charging party who prevailed at a hearing authorized by section 5, if the charging party requests representation within ten days after receipt of the petition for appeal.

Sec. 8. Minnesota Statutes 1982, section 363.116, is amended to read:

363.116 [TRANSFER TO COMMISSIONER.]

A local commission may refer a matter under its jurisdiction to the commissioner.

The charging party has the option of filing a charge either with a local commission or the department. Notwithstanding the provisions of any ordinance to the contrary, a charge may be filed with a local commission within 300 days after the occurrence of the practice. The exercise of such choice in filing a charge with one agency shall preclude the option of filing the same charge with the other agency. At the time a charge comes to the attention of a

local agency, the agency or its representative shall inform the charging party of this option, and of his rights under Laws 1967, Chapter 897.

The term "local commission" as used in this section has the same meaning given the term in section 363.115.

Sec. 9. Minnesota Statutes 1982, section 363.117, is amended to read:

363.117 [WITHDRAWAL FROM A LOCAL COMMISSION.]

Notwithstanding the provisions of any law or ordinance to the contrary, a person who has filed a charge with a local commission may bring a civil action as provided in section 363.14 at the following times:

- (a) Within 45 days after the local commission has determined that there is no probable cause to credit the allegations contained in the charge; or
- (b) After 45 days from the filing of the charge if a hearing has not been held or if the local commission has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the local commission of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice.

A charging party bringing a civil action shall mail by registered or certified mail send a copy of the summons and complaint to the local commission by first class mail and upon their receipt the local commission shall terminate all proceedings before the local commission relating to the charge. No charge shall be filed or reinstituted with the local commission after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Sec. 10. Minnesota Statutes 1982, section 363.14, subdivision 1, is amended to read:

Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice:

- (a) Directly to district court; or
- (b) Notwithstanding the provisions of any law to the contrary, (1) within 45 days after the commissioner has dismissed a charge because it is frivolous or without merit, because the charging party has failed to provide required information, because the commissioner has determined that further use of department resources is not warranted, or because the commissioner has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner; (2) within 45 days after the commissioner has reaffirmed his determination of no probable cause if the charging party requested a reconsideration of the probable cause determination; or (2) (3) after 45 days from the filing of a charge pursuant to section 363.06, subdivision 1 if a hearing has not been held pursuant to section 363.071 or if the commissioner has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the commissioner of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice;
- (c) The commissioner may dismiss, without prejudice to the charging party, any case filed with the department on or before June 30, 1978. The

commissioner shall notify a charging party by regular mail sent before August 1, 1981, that he has a right to bring a civil action pursuant to this section. Upon giving this notice the commissioner shall end all proceedings in the department relating to the charge. Notwithstanding any statutory period of limitation to the contrary, an individual notified pursuant to this clause may bring a civil action relating to his charge; provided that the action is filed on or before February 1, 1982.

A charging party bringing a civil action shall mail by registered or certified mail send a copy of the summons and complaint to the commissioner by first class mail, and upon their receipt the commissioner shall terminate all proceedings in the department relating to the charge. No charge shall be filed or reinstituted with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term and under circumstances the court deems just, the court may appoint an attorney for the person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

- Sec. 11. Minnesota Statutes 1982, section 363.14, subdivision 2, is amended to read:
- Subd. 2. [DISTRICT COURT JURISDICTION.] Any action brought pursuant to this section shall be filed in the district court of the county wherein the unlawful discriminatory practice is alleged to have been committed or where the respondent resides or has his principal place of business.

Any action brought pursuant to this chapter shall be heard and determined by a judge sitting without a jury.

If the court finds that the respondent has engaged in an unfair discriminatory practice, it shall issue an order directing such appropriate relief as it deems appropriate and which effectuates the purpose of this chapter. Such relief shall be limited to that permitted as provided by section 363.071, subdivision 2."

Delete the title and insert:

"A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.116; 363.117; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071, subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1686: A bill for an act relating to vital statistics; providing for collection of statistical data concerning the dissolution or annulment of marriage; appropriating money; amending Minnesota Statutes 1982, section 144.224; proposing new law coded in Minnesota Statutes, chapter 518.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1982, section 144.224, is amended to read:

144.224 [REPORTS OF DISSOLUTION AND ANNULMENT OF MARRIAGE.]

Each month the clerk of court shall file a report with forward to the state registrar, reporting commissioner of health the dissolutions and annulments of marriage granted by the court in statistical report forms collected pursuant to section 2 during the preceding month. The report form shall include only the following information:

- a. Name and, date of birth, birthplace, residence, race, and educational attainment of the husband and wife;
 - b. County of decree;
 - c. Date and type of decree;
 - d. Signature of the clerk of court; and Place and date of marriage;
 - e. Date signed of separation;
 - f. Number and ages of children of marriage;
 - g. Amount and status of maintenance and child support;
 - h. Custody of children;
 - i. Income of the parties;
 - j. Length of separation and length of marriage; and
- k. Number of previous marriages and reasons for ending the previous marriages (death, dissolution, or annulment).

The commissioner may publish data collected under this section in summary form only. The statistical report form shall contain a statement that neither the report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding."

- Page 1, line 26, before "Before" insert "On or" and after "Before" insert "the time"
- Page 2, line 1, delete "petitioner's attorney" and insert "moving party, if other than the petitioner,"
 - Page 2, line 2, delete "return to" and insert "file with"
- Page 2, line 5, after the period, insert "The clerk of court shall not refuse entry of a decree on the basis that the statistical report form is incomplete. Neither the statistical report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1404: A bill for an act relating to education; providing for aids to education; tax levies; granting certain duties and powers to school boards, school districts, the state board of education, and the commissioner of education; modifying and establishing certain aspects of foundation aid; modifying certain aspects of state payments to school districts; providing for summer learning programs, early childhood and family education, technology programs, and other special programs; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.20; 124.201, subdivision 1; 124.2126, subdivision 1; 124.214, subdivision 1; 124.245, by adding a subdivision; 124.565, subdivision 7; 124.573, subdivision 3; 125.12, subdivisions 2 and 3; 125.185, subdivision 4; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; and 475.61, subdivision 1; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.15, subdivision 1; 121.503, subdivision 5; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 2, 3, 6, 9, and by adding a subdivision; 124.201, subdivisions 2, 4, and 5; 124.2122, subdivision 1; 124.2138, subdivision 1; 124.271, subdivision 2b; 124.5615, subdivision 5; 124A.06, subdivision 1; 125.032, subdivision 2; 129B.02, subdivision 4; 129B.041, subdivisions 1 and 3; 129B.32, subdivision 3; 129B.36, subdivision 7; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121. 123, 124, 126, 129B, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.212, subdivision 1; 124.245, subdivision 1a; 129B.06; 129B.07; 129B.08; 129B.09, as amended; 275.125, subdivision 2g; Minnesota Statutes 1983 Supplement, sections 124.225, subdivision 12; 129B.041, subdivision 2; and 275.125, subdivisions 2i and 2j.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 29, insert:

- "Sec. 4. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2, is amended to read:
- Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. The basic maintenance mill rate shall be .024 for the 1983-1984 school year. The basic maintenance mill rate shall be .024 for the

1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. The basic maintenance mill rate is .024 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year."

Page 12, after line 27, insert:

"Sec. 10. [REPEALER.]

Minnesota Statutes 1982, section 124.212, subdivision 1, is repealed."

Page 12, delete lines 32 to 34

Renumber the sections of article 1 in sequence

Page 32, line 17, delete "pupil"

Page 32, line 18, delete "units"

Page 34, lines 16, 20, 22, and 24, strike "(4)" and insert "(1)"

Page 35, line 3, delete "3" and insert "4"

Page 36, line 5, delete "3" and insert "4"

Page 37, line 3, strike everything before the second "in"

Page 37, line 4, after the comma, insert "each year"

Page 37, line 5, before "pupil" insert "total"

Page 48, line 12, after "follows" insert "for the 1984-1985, 1985-1986 and 1986-1987 school years"

Page 50, line 34, after "1." insert "[EXCESS SALE PROCEEDS into GENERAL FUND.]"

Page 54, line 7, after "627" insert ", Oklee,"

Page 56, line 29, after "14," insert "30,"

Page 73, strike line 34

Page 73, line 35, strike everything before the stricken "shall"

Page 74, line 3, delete the new language and strike the period

Page 74, after line 3, insert:

"Sec. 19. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b, is amended to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivision 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per total pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

- (b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;
- (c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;
- (d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation;
- (e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and
- (f) to pay principal and interest on loans from the state authorized by section 116J.37."
 - Page 77, line 4, delete "\$575,000" and insert "\$425,000"
- Page 77, line 6, delete "section 11, subdivision 2" and insert "the school district assessment program"
 - Page 77, line 8, delete everything after "program"
 - Page 77, line 9, delete everything before the period
 - Page 77, line 11, delete "\$320,000" and insert "\$240,000"
- Page 77, line 12, delete "section 11, subdivision 4" and insert "the department of education development of an assessment item bank" and delete everything after the period
 - Page 77, delete lines 13 and 14
- Page 77, line 17, delete "section 13" and insert "paying aid to districts completing the planning, evaluation, and reporting process and receiving commissioner approval"

Renumber the sections of article 8 in sequence and correct the internal references

Page 80, delete lines 31 to 36

Page 81, delete line 1

Page 81, line 28, delete "this subdivision of"

Page 87, line 16, delete everything before "The"

Page 87, delete lines 21 to 24

Amend the title as follows:

Page 1, line 27, delete "subdivision" and insert "subdivisions" and after "1" and insert "and 2"

Page 1, line 34, after "11a," insert "11b,"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2146: A bill for an act relating to local government; clarifying

powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, section 472A.03.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1298: A bill for an act relating to local government; providing procedures for the publication of legal notices; removing various requirements for publication of notices; amending Minnesota Statutes 1982, sections 3.21; 48.48, subdivision 1; 88.48, subdivision 2; 94.10, subdivision 1; 94.344, subdivision 7; 123.33, subdivision 11; 123.71, subdivision 1; 160.17, subdivision 2; 205.20, subdivision 5; 206.17, subdivision 2; 279.07; 279.08; 279.09; 300.13, subdivision 4; 302A.727, subdivision 1; 306.023, subdivision 2; 306.111, subdivision 2; 306.16, subdivision 2; 306.21, subdivision 1; 307.06; 315.25; 326.18; 346.02; 365.37; 368.01, subdivision 21; 370.04; 370.07; 371.04; 372.02; 372.08; 374.13; 374.34; 375.025, subdivision 4; 375.12; 375.17; 375.21, subdivision 1; 375.51, subdivision 3; 375.52; 383A.27, subdivision 2; 412.191, subdivisions 3 and 4; 412.311; 414.09, subdivision 3; 415.021; 429.061, subdivision 2; 430.02, subdivisions 3, 7, 11, and 12; 430.04; 430.07, subdivision 5; 430.102, subdivision 3; 435.202, subdivision 2; 441.04; 462.427, subdivision 3; 465.32; 465.38; 471.697, subdivision 1; 471.698, subdivision 1; 471.6985; 472.04, subdivision 2; 484.30; and 492.02, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 375 and 471; proposing new law coded as Minnesota Statutes, chapter 331A; repealing Minnesota Statutes 1982, sections 55.09; 306.16, subdivision 1; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 3.21, is amended to read:

3.21 [NOTICE.]

At least four months preceding the election, the attorney general shall furnish to the secretary of state a statement of the purpose and effect of all amendments proposed showing clearly the form of the existing sections, and of the same as they will read if amended, except that when any section to which an amendment is proposed exceeds 150 words in length, the statement shall show that part of the section in which a change is proposed, both in its existing form and as it will read when amended, together with portions of the context as the attorney general deems necessary to an understanding of the proposed amendment. In the month of October prior to the election, the secretary of state shall give two weeks published notice of the statement in all legal qualified newspapers of the state. The secretary of state shall furnish the statement to the newspapers in reproducible form approved by the secretary of state, set in 7-1/2 point type on an eight point body. The maximum rate for publication shall be 17 cents per standard line in 1979 and 18 cents per standard line thereafter as provided in section 25 for the two publications. If any

newspaper shall refuse the publication of the amendments, this refusal and failure of the publication shall have no effect on the validity of the amendments. The secretary of state shall also forward to each county auditor copies of the statement, in poster form, in quantities sufficient to supply each election district of his county with two copies thereof. The auditor shall cause two copies to be conspicuously posted at or near each polling place on election day. Wilful or negligent failure by any official named to perform any duty imposed upon him by this section shall be deemed a misdemeanor.

Sec. 2. Minnesota Statutes 1982, section 48.48, subdivision 1, is amended to read:

Subdivision 1. [SUBMISSION AND PUBLICATION.] At least four times in each year, and at any other time when so requested by the commissioner, every bank or trust company shall, within 30 days of the date of notice, make and transmit to the commissioner, in a form he prescribes, a report, verified by its president or vice-president and by its cashier or treasurer, and attested by at least two of its directors, stating in detail, under appropriate heads, as required by the commissioner, its assets and liabilities at the close of business on the day specified in the request. The commissioner may accept a report made to a federal authority having supervision of banks or trust companies in fulfilling this requirement. This statement shall be published once at the expense of the bank or trust company in a newspaper serving the municipality or town in which the bank or trust company is located. The newspaper shall be published in the county in which the bank or trust company is located or in an adjoining county. Proof of publication shall be filed with the commissioner immediately after publication of the report. For the purposes of this subdivision a newspaper serves a municipality or town if it meets the qualifications of section 331.02, subdivision 1, clause (4).

- Sec. 3. Minnesota Statutes 1982, section 88.48, subdivision 2, is amended to read:
- Subd. 2. [NOTICE.] The county auditor shall, upon receipt of the application and prior to the meeting of the county board at which it is presented, publish once in the official newspaper of the county notice of the presentation at the expense of the applicant and mail a copy of the notice to the clerk of the town in which lies the land therein described.
- Sec. 4. Minnesota Statutes 1982, section 94.10, subdivision 1, is amended to read:

Subdivision 1. Before offering any surplus state owned lands for sale, the commissioner of administration may survey such lands, and if the value thereof is estimated to be \$20,000 or less, may have such lands appraised. He shall have the lands appraised if the estimated value is in excess of \$20,000. The appraisal shall be made by not less than three appraisers, at least two of whom shall be residents of the county in which the lands are situated. Each appraiser shall before entering upon the duties of his office take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal. Before offering such

surplus state owned lands for public sale, such lands shall first be offered to the city, county, town, school district, or other public body corporate or politic in which the lands are situated for public purposes and they may be sold for such public purposes for not less than the appraised value thereof. To determine whether a public body desires to purchase the surplus land, the commissioner of administration shall publish notice describing the land on the same day of at least two successive weeks in a newspaper of general circulation in the county in which the land is located; however, the commissioner shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land it shall submit a written offer to the commissioner not later than two weeks after the last published receipt of notice setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the commissioner shall determine which party shall receive the property, and he shall submit written findings regarding his decision. If lands are offered for sale for such public purposes, and if a public body notifies the commissioner of administration of its desire to acquire such lands, the public body may have not to exceed two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

- Sec. 5. Minnesota Statutes 1982, section 94.344, subdivision 7, is amended to read:
- Subd. 7. Before giving final approval to any exchange of Class B land, the county board shall hold a public hearing thereon. At least two weeks before the hearing the county auditor shall post in his office a notice thereof, containing a description of the lands affected, and shall eause a copy of the notice to be published in the newspaper designated for publication of the official proceedings of the county board.
- Sec. 6. Minnesota Statutes 1982, section 123.33, subdivision 11, is amended to read:
- Subd. 11. The board shall cause its official proceedings to be published once in the official newspaper of the district. Such publication shall be made within 30 days of the meeting at which such proceedings occurred. If the board determines that publication of a summary of the proceedings would adequately inform the public of the substance of the proceedings, the board may direct that only a summary be published, conforming to the requirements of section 20, subdivision 10.
- Sec. 7. Minnesota Statutes 1982, section 123.71, subdivision 1, is amended to read:

Subdivision 1. Every school board shall, no later than September 1 publish the revenue and expenditure budgets submitted to the commissioner of education in accordance with section 121.908, subdivision 4, for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the state board of education after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditures and

fund balances shall be published in a newspaper of general circulation and holding a U. S. Post Office Department second class mailing permit or a legal newspaper located in the district, or if there be no such newspaper within the district then in the legal newspaper outside the district which has a general circulation in the district qualified newspaper of general circulation in the district.

- Sec. 8. Minnesota Statutes 1982, section 206.17, subdivision 2, is amended to read:
- Subd. 2. Where electronic voting systems are used, within five days prior to the election day, the election officer in charge shall have the automatic tabulating equipment tested to ascertain that the equipment will correctly count the votes cast for all offices and on all measures. Public notice of the time and place of the test shall be given at least two days prior thereto by publication once in official newspapers. The test shall be observed by at least two election judges, who shall not be of the same major political party, and shall be open to representatives of the major political parties, candidates, the press and the public. The test shall be conducted by processing a preaudited group of ballots so punched or marked as to record a predetermined number of valid votes for each candidate and on each measure, and shall include for each office one or more ballots which have votes in excess of the number allowed by law in order to test the ability of the automatic tabulating equipment to reject such votes. If any error is detected, the cause therefor shall be ascertained and corrected and an errorless count shall be made before the automatic tabulating equipment is approved. The test shall be repeated immediately before the start of the official count of the ballots, in the same manner as set forth above. After the completion of the count, the programs used and ballots shall be sealed, retained, and disposed of as provided for paper ballots.
 - Sec. 9. Minnesota Statutes 1982, section 279.07, is amended to read:

279.07 [PUBLICATION, BIDS.]

Prior to the day on which the county board designates a newspaper for the publication of the notice and list, any publisher or proprietor of a legal newspaper, as defined by law, may file with the county auditor an offer to publish such notice and list in such paper, stating the rate at which he will make such publication, which shall not exceed the amounts provided for in section 331.08. The board may in its discretion receive offers presented to it at any time prior to the time when designation is made.

Sec. 10. Minnesota Statutes 1982, section 279.08, is amended to read:

279.08 [NEWSPAPER, DESIGNATION.]

At their annual meeting in January, and prior to the designation, the county board shall open, examine, and consider all offers for publication filed or presented as provided in section 279.07, and shall thereupon award the publication of the notice and list to the publisher or proprietor of the newspaper whose offer is found to be the lowest, and does not exceed the amounts provided for in section 331.08. The board may reject any offer, if in its judgment the public interest so requires, and thereupon designate a newspaper without regard to any rejected offer. In counties now or hereafter having a population of 450,000 or more, the board shall designate a daily newspaper of general

circulation throughout such county. If no such daily newspaper submits a bid at the rate herein provided, the board may designate a weekly newspaper of general circulation throughout the county. In any county in which there is no legal newspaper, the board shall designate any such newspaper printed in the judicial district in which the county is situated, and circulating in the county. Every such designation shall be by resolution, which shall be substantially in the following form:

"Resolved, that (here state the name of the newspaper) is hereby designated by the county board of the county of as the newspaper in which the notice and list of the real estate remaining delinquent on the first Monday of January, 19......, shall be published."

A copy of the resolution certified by the auditor shall be filed with the clerk of the district court. If, for any reason, the board fails to designate a newspaper, or the proprietor of the newspaper fails to give the required bond, the auditor shall thereupon designate the same in writing and immediately file such writing in his office and a certified copy thereof with such clerk.

- Sec. 11. Minnesota Statutes 1982, section 300.13, subdivision 4, is amended to read:
- Subd. 4. [RESOLUTION TO ENLARGE, EFFECT.] Except in the case of a nonprofit cooperative association, or a religious corporation formed under Minnesota Statutes 1949, Chapter 315, the resolution to enlarge the period of corporate existence does not become effective until a duly certified copy of the resolution has been filed, and recorded, and published in the same manner as its original articles or certificate of incorporation. A nonprofit ecoperative association and a religious corporation formed under Minnesota Statutes 1949, Chapter 315, need not publish the resolution.
- Sec. 12. Minnesota Statutes 1982, section 302A.727, subdivision 1, is amended to read:

Subdivision 1. [WHEN PERMITTED; HOW GIVEN.] When a notice of intent to dissolve has been filed with the secretary of state, the corporation may give notice of the filing to each known creditor of and claimant against the corporation at the last known address of each known present, future, or contingent creditor and claimant. The corporation may give published notice to known creditors or claimants whose address is unknown and to unknown present, future, or contingent creditors and claimants, by publishing the notice once each week for four successive weeks in a legal newspaper as defined in section 331.02 in the county or counties where the registered office and the principal executive office of the corporation are located.

- Sec. 13. Minnesota Statutes 1982, section 306.023, subdivision 2, is amended to read:
- Subd. 2. To accomplish such transfer, the board of trustees of such cemetery association shall adopt a resolution to that effect by an unanimous vote of the board of trustees, and thereupon the chairman or president of the board of trustees and the secretary shall be authorized to execute the proper instruments and a deed in the name of the association to evidence the transfer; provided, however, that such transfer must first have been authorized by a majority vote of all members of the association, present and voting, at any regular meeting or at any special meeting called for that purpose, written

notice of which meeting shall have been given by publication, for three successive weeks, once each week, in a daily or weekly newspaper published in the county where such cometery is situated, subscribed by the chairman, president, or secretary of the board of trustees, and to the members specifying the time, place and purpose of such meeting.

In the event said association shall be an unincorporated association, a deed executed in the name of such association by the chairman or president and the secretary or treasurer of the board of trustees shall be deemed a valid conveyance of the lands of the association.

- Sec. 14. Minnesota Statutes 1982, section 306.111, subdivision 2, is amended to read:
- Subd. 2. Any three or more lot owners in such cemetery may issue a mail notice signed by them to all the lot owners known to them or whose addresses appear in the cemetery records that a meeting of the lot owners will be held not less than 14 days after the mailing at a time and place to be fixed by them and designated in the notice, in the county wherein the cemetery is situated, for the purpose of filling the vacancies among the associates. Such notice shall be published at least twice in a legal newspaper published in the county where the meeting is to be held, and the time of the meeting shall be not less than ten days after the second publication thereof.
- Sec. 15. Minnesota Statutes 1982, section 306.16, subdivision 2, is amended to read:
- Subd. 2. If the owner of such cemetery lot be a resident of the county wherein such cemetery is located, then such The association or any municipally-owned cemetery may cause to be served upon such owner the owner of the lot, in the manner prescribed by law for the service of a summons in a civil action, a notice specifying the amount unpaid for lot care upon such lot, and specifying a time within which the same must be paid to the secretary of such association or the proper officer of the municipally-owned cemetery, which time shall not be less than 30 days from the date of the service of the notice, and further specifying that, upon the failure of the owner of the lot to pay the amount specified in the notice within the time of aforesaid, the association or municipally-owned cemetery will take the necessary steps to reinvest itself with the title to the portion of such cemetery lot not actually used for burial purposes. Upon the failure of the owner of the lot to pay the amount within the time specified in the notice, the board of trustees of any such cemetery may, by resolution duly adopted at any regular meeting of the board of trustees, set forth the failure to pay the charges for lot care, the service of the notice prescribed herein, and declare such portion of the lot unused for burial purposes, describing the same by metes and bounds in such resolution, to be the property of the association or such municipally-owned cemetery.
- Sec. 16. Minnesota Statutes 1982, section 306.21, subdivision 1, is amended to read:

Subdivision 1. [LOTS CONVEYED AND ABANDONED.] In all cases where a duly incorporated association has owned a site for a cemetery for more than 40 years and has during that period sold lots and parcels for burial purposes, and has, conveyed cemetery lots or parcels by deed of conveyance with or without restrictions contained therein and the grantee therein, or par-

ties claiming through such grantee, (a) for more than 75 years in counties having a population over 50,000 according to the 1960 federal decennial census, and 50 years in all other counties, have not used portions of such lots or parcels for the purposes of burial and during said time have not made provision for care of said lots beyond that provided uniformly to all lots within the cemetery, and during said time have not given to said corporation a written notice of claim or interest in such lots or parcels, or (b) have not used portions of such lots or parcels for the purposes of burial and have not kept such lots or plots free of weeds or brush but have allowed the same to remain entirely unimproved for more than 20 years, and such lots or parcels are situate in such portion of the cemetery that they adjoin or are adjacent to improved parts of such cemetery and by reason of their unimproved condition detract from the appearance of such cemetery and interfere with its harmonious improvement and furnish a place for the propagation of growth of weeds and brush, such corporation may, by resolution of its governing board, demand of such owners or holders (a) that they file with the corporation a written notice of claim or interest in and to said lots or parcels supported by satisfactory evidence thereof within 60 days after the service of a copy of such resolution of demand, or (b) that they keep the premises clear of weeds and in a condition in harmony with other plots adjoining, and serve a copy of such resolution upon such party or parties, if they can be found in such county, and if the sheriff of the county make return upon such resolution that such parties, or any of them, cannot be found in this county, then the resolution may be served upon the parties so absent from the county by publication thereof for three successive weeks in a legal newspaper published in the county and mailing a copy thereof within 14 days after the third publication to the last known address of each such party as the same appears on the records of the eorporation in the same manner as a complaint in a civil action.

Sec. 17. Minnesota Statutes 1982, section 307.06, is amended to read:

307.06 [TRANSFER TO ASSOCIATION; HOW EFFECTED.]

Any private cemetery established, platted, and recorded under the laws of this state may consolidate with and transfer its property, for cemetery purposes only, to any cemetery association or corporation organized under the laws of this state which is contiguous to, or adjacent to, such cemetery corporation.

To so consolidate and transfer its property it shall be necessary:

- (1) that a resolution be passed by a two-thirds vote of the lot owners and members of such private cemetery, represented, present, and voting at a special meeting called for that purpose, which resolution shall recite with what cemetery corporation or association it is proposed to consolidate with and transfer its property to, and the terms and conditions thereof; and 30 days' notice of such meeting shall be previously given by mail to each lot owner of such private cemetery whose address can be determined using reasonable diligence of the time and place when such meeting is to be held, reciting the purpose thereof, which notice shall be signed by at least five lot owners, and shall be served by publication, by publishing for three successive weeks, once in each week, in some daily or weekly newspaper published in the county where such private cemetery is situated; and
 - (2) that the resolution shall be signed and acknowledged by the presiding

officer and secretary of such meeting and shall be filed with the county recorder of the county in which the private cemetery is situated.

Sec. 18. Minnesota Statutes 1982, section 315.25, is amended to read:

315.25 [ANNUAL MEETING, NOTICE OF, PLACE.]

Any such corporation, the membership of which in part resides in other states, may hold its annual meetings at such points outside the state as it may, from time to time, designate at a previous annual meeting, or it may authorize its president to designate such place. At least three months before the time of such annual meeting notice of such time and place shall be given by publication in the recognized organ of such corporation, if it has one; otherwise, by publication in at least two papers of general circulation published at the capital of the state other notice appropriate to inform the membership.

Sec. 19. Minnesota Statutes 1982, section 326.18, is amended to read:

326.18 [BOARD, DUTIES, OFFICERS, EXAMINATIONS.]

A majority of the board constitutes a quorum. The board shall elect one of its number as chairman, another as vice-chairman, and another as secretary and treasurer, who shall hold their respective offices for a term of one year and until their successors are elected. The affirmative vote of a majority of members of the board is considered the action of the board. The board shall enforce the standard of general education; the standard of special education in the science and art of accounting; the standard of good character and general public experience, as prescribed in sections 326.165 to 326.23, in all examinations conducted thereunder. The board shall make rules for the conduct of applicants' examinations and the character and scope of the examinations, the method and time of filing applications for examinations and their form and contents, and all other rules and regulations proper to carry into effect the purposes of sections 326.165 to 326.23. The board may make use of all or any part of the uniform certified public accountant examination and advisory grading service provided by the American Institute of Certified Public Accountants if it deems it appropriate to assist it in performing its duties. These examinations shall be conducted by the board of accountancy. The time and place of holding examinations shall be advertised for not less than three consecutive days in one daily newspaper published in each of the counties where the examinations are to be held, and not less than 60 days prior to the date of each examination. The examinations shall take place as often as may be convenient in the opinion of the board. The board may make rules necessary to implement and enforce sections 326.165 to 326.23, and 214.12, including but not limited to rules of professional conduct, pertaining to individuals, partnerships and corporations practicing public accounting which it deems consistent with or required by the public welfare and rules of continuing education to be met by persons licensed under sections 326.165 to 326.23.

The board shall keep records of its proceedings, an accurate list of all applications made, licenses and certificates issued, and licenses and certificates revoked, and shall keep proper financial records in which there shall be entered a complete statement of the cash receipts and disbursements. The board shall issue to each person who satisfies the examination requirements of section 326.19, subdivision 1, a certified public accountant certificate and

shall maintain a record of that issuance. The board shall issue a license as a certified public accountant to each holder of a certified accountant certificate who satisfies the experience requirements for a license as a certified public accountant or to a person who has been issued a certified public accountant certificate under section 326.19, subdivision 3. The board shall maintain a record of the issuance. It shall adopt and provide itself with a seal with a band inscribed "Certified Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of certified public accountant issued under sections 326.17 to 326.23. The board shall issue to each person who qualifies for a license under sections 326.17 to 326.23 as a licensed public accountant a certificate as a licensed public accountant and shall maintain a record of that issuance. It shall adopt and provide itself with a seal with a band inscribed "Licensed Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of the licensed public accountant, issued under sections 326.17 to 326.23. All records of the board shall be open to the inspection of the public at the office of its secretary.

Sec. 20. [331A.01] [DEFINITIONS.]

Subdivision 1. As used in sections 20 to 30, the terms defined have the meanings given them except as otherwise expressly provided or indicated by the context.

- Subd. 2. "Known office of issue" means the principal office maintained by the publisher or managing officer during a newspaper's regular business hours to gather news and sell advertisements and subscriptions, whether or not printing or any other operations of the newspaper are conducted at or from the office, and devoted primarily to business related to the newspaper. A newspaper may have only one known office of issue.
- Subd. 3. "Local public corporation" means a county, municipality, school district, or any other local political subdivision or local or area district, commission, board, or authority.
- Subd. 4. "Municipality" means a home rule charter or statutory city or town.
- Subd. 5. "Newspaper" means a publication issued regularly by the same person, corporation, or his or its successor, whether the name of the publication is the same or different.
- Subd. 6. "Proceedings" means the substance of all official actions taken by the governing body of a local public corporation at any regular or special meeting, and at minimum includes the subject matter of a motion, the persons making and seconding a motion, the roll call vote on a motion, the character of resolutions or ordinances offered, including a brief description of their subject matter, and whether defeated or adopted.
- Subd. 7. "Public notice" means every notice required or authorized by law or by order of a court to be published by a qualified newspaper, and includes:
- (a) every publication of laws, ordinances, resolutions, financial information, and proceedings intended to give notice in a particular area;
- (b) every notice and certificate of election, facsimile ballot, notice of referendum, notice of public hearing before a governmental body, and notice of

meetings of private and public bodies required by law; and

- (c) every summons, order, citation, notice of sale or other notice which is intended to inform a person that he may or shall do an act or exercise a right within a designated period or upon or by a designated date.
- (d) this subdivision contains no independent requirement for the publication of any public notice.
- Subd. 8. "Qualified newspaper" means a newspaper which complies with all of the provisions of section 21. The following terms, when found in laws referring to the publication of a public notice, shall be taken to mean a qualified newspaper: "qualified legal newspaper," "legal newspaper," "official newspaper," "newspaper," and "medium of official and legal publication.
- Subd. 9. "Secondary office" means an office established by a newspaper in a community other than that in which its known office of issue is located, in the same or an adjoining county, to enhance its coverage of and service to that community, open on a regular basis to gather news and sell advertisements and subscriptions, whether or not printing or any other operations of the newspaper are conducted at or from the office, and devoted primarily to business related to the newspaper.
- Subd. 10. "Summary" means an accurate and intelligible abstract or synopsis of the essential elements of proceedings, ordinances, resolutions, and other official actions. It shall be written in a clear and coherent manner, and shall, to the extent possible, avoid the use of technical or legal terms not generally familiar to the public. When a summary is published, the publication shall clearly indicate that the published material is only a summary and that the full text is available for public inspection at a designated location. A summary published in conformity with this section shall be deemed to fulfill all legal publication requirements as completely as if the entire matter which was summarized had been published. No liability shall be asserted against the local public corporation in connection with the publication of a summary or agenda.

Sec. 21. [331A.02] [REQUIREMENTS FOR A QUALIFIED NEWS-PAPER.]

Subdivision 1. [QUALIFICATION.] No newspaper in this state shall be entitled to any compensation or fee for publishing any public notice unless it is qualified as a medium of official and legal publication. To be qualified as a medium of official and legal publication, a newspaper shall:

- (a) Be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,000 square inches;
- (b) If a daily, be distributed at least five days each week, or if not a daily, be distributed at least once each week, for 50 weeks each year. In any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;
- (c) In at least half of its issues each year, have no more than 75 percent of its printed space comprised of advertising material and paid public notices. In all of its issues each year, have 25 percent, if published more often than weekly, or 50 percent, if weekly, of its news columns devoted to news of

local interest to the community which it purports to serve. Not more than 25 percent of its total nonadvertising column inches in any issue may wholly duplicate any other publication unless the duplicated material is from recognized general news services;

- (d) Be circulated in the local public corporation which it purports to serve, have at least 500 copies regularly delivered to paying subscribers and either have entry as second class matter in its local post office or have at least 500 copies regularly distributed without charge to local residents;
- (e) Have its known office of issue established in either the county in which lies, in whole or in part, the local public corporation which the newspaper purports to serve, or in an adjoining county;
 - (f) File a copy of each issue immediately with the state historical society;
- (g) Be made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;
- (h) Have complied with all the foregoing conditions of this subdivision for at least one year immediately preceding the date of the notice publication;
- (i) The newspaper must before January 1 of each year publish and submit to the secretary of state a sworn United States Post Office second-class statement of ownership and circulation or a statement of ownership and circulation verified by a recognized independent circulation auditing agency.
- Subd. 2. [EARLIER QUALIFICATION.] Newspapers which have been qualified, on May 20, 1965, as mediums of official and legal publication shall remain qualified only if they meet the requirements of subdivision 1, except as follows:
- (a) If on May 20, 1965, any newspaper is a qualified medium of official and legal publication but is printed in a foreign language, or in English and a foreign language, and otherwise qualifies as a medium of official and legal publication pursuant to the requirements of subdivision 1, it shall be a medium of official and legal publication so long as it otherwise qualifies pursuant to the requirements of subdivision 1.
- (b) If on May 20, 1965, any newspaper has been circulated in and near the municipality which it purports to serve to the extent of at least 240 but less than 500 copies regularly delivered to paying subscribers and otherwise qualifies as a medium of official and legal publication pursuant to the requirements of subdivision 1, it shall be a medium of official and legal publication so long as at least 240 copies are regularly so circulated and delivered and it otherwise qualifies pursuant to the requirements of subdivision 1.
- Subd. 3. [PUBLICATION; SUSPENSION; CHANGES.] The following circumstances shall not affect the qualification of a newspaper, invalidate an otherwise valid publication, or invalidate a designation as official newspaper for publication of county board proceedings.
- (a) Suspension of publication for a period of not more than three consecutive months resulting from the destruction of its known office of issue, equipment, or other facility by the elements, unforeseen accident, or acts of

God or by reason of a labor dispute.

- (b) The consolidation of one newspaper with another published in the same county, or a change in its name or ownership, or a temporary change in its known office of issue.
- (c) Change of the day of publication, the frequency of publication, or the change of the known office of issue from one place to another within the same county. Except as provided in this subdivision, suspension of publication, or a change of known office of issue from one county to another, or failure to maintain its known office of issue in the county, shall deprive a newspaper of its standing as a medium of official and legal publication until the newspaper again becomes qualified pursuant to subdivision 1.
- Subd. 4. [DECLARATORY JUDGMENT OF LEGALITY.] Any person interested in the standing as a medium of official and legal publication of a newspaper, may petition the district court in the county in which the newspaper has its known office of issue for a declaratory judgment whether the newspaper is qualified as a medium of official and legal publication. Unless filed by the publisher, the petition and summons shall be served on the publisher as in other civil actions. Service in other cases shall be made by publication of the petition and summons once each week for three successive weeks in the newspaper or newspapers the court may order and upon the persons as the court may direct. Publications made in a newspaper after a judgment that it is qualified but before the judgment is vacated or set aside shall be valid. Except as provided in this subdivision, the uniform declaratory judgments act and the rules of civil procedure shall apply to the action.

Sec. 22. [331A.03] [WHERE NOTICE PUBLISHED.]

A public notice shall be published in a qualified newspaper, and except as otherwise provided by law, in one that is likely to give notice in the affected area or to whom it is directed. When a statute or other law requires publication in a newspaper located in a designated municipality or area and no qualified newspaper is located there, publication shall be made in a qualified newspaper likely to give notice unless the particular statute or law expressly provides otherwise. If no qualified newspaper exists, then publication is not required.

Sec. 23. [331A.04] [DESIGNATION OF A NEWSPAPER FOR OFFI-CIAL PUBLICATIONS.1

Subdivision 1. The governing body of any local public corporation, when authorized or required by statute or charter to designate a newspaper for publication of its official proceedings and public notices, shall designate a newspaper which is a qualified medium of official and legal publication in the following priority.

- Subd. 2. If there are one or more qualified newspapers, the known office of issue of which are located within the local public corporation, one of them shall be designated.
- Subd. 3. When no qualified newspaper has a known office of issue located in the local public corporation, but one or more qualified newspapers maintain a secondary office there, one of them shall be designated.
 - Subd. 4. When no qualified newspaper has its known office of issue or a

secondary office located within the local public corporation, then a qualified newspaper of general circulation there shall be designated.

Subd. 5. If a local public corporation is without an official newspaper, or if the publisher refuses to publish a particular public notice, matters required to be published shall be published in a newspaper designated as provided in subdivision 4. The governing body of a local public corporation with territory in two or more counties may, if deemed in the public interest, designate a separate qualified newspaper for each county.

Sec. 24. [331A.05] [FORM OF PUBLIC NOTICES.]

Subdivision 1. All public notices shall be printed or otherwise disseminated in the English language.

- Subd. 2. Unless otherwise specified by a particular statute, or by order of a court, publication of a public notice shall be as follows:
 - (a) the notice shall be published once;
- (b) if the notice is intended to inform the public about a future event, the last publication shall occur not more than 14 days and not less than seven days before the event;
- (c) if the notice is intended to inform the public about a past action or event, the last publication shall occur not more than 45 days after occurrence of the action or event.
- Subd. 3. Except as otherwise directed by a particular statute requiring publication of a public notice, a public notice shall be printed in a type face no smaller than six point with a lower case alphabet of 90 point. Larger type faces may be used.
- Subd. 4. Every public notice shall include a title or caption in a body type no smaller than brevier or eight point referring to the content of the notice. Larger type faces may be used.
- Subd. 5. The governing body of a local public corporation may, to better inform the public, increase the frequency of publication of a public notice beyond the minimum required by a particular statute. It may use forms and styles for the notice as it deems appropriate, including the use of display advertisements and graphics. It may publish or disseminate the notice in other newspapers in addition to the newspaper required to be designated under section 23. Regardless of whether a particular statute specifies ''legal notice,'' ''public notice,'' 'notice,'' or uses similar terms, the governing body may use whatever form for the published notice that it deems appropriate in order to adequately inform the public, subject to the requirements of sections 20 to 30. Nothing in the foregoing provisions of this subdivision shall require the governing body of a local public corporation to use the options described.
- Subd. 6. Nothing in this section shall invalidate or affect any statutory or charter provision imposing additional or special qualifications for publication of particular notices or proceedings.

Sec. 25. [331A.06] [FEES FOR PUBLICATION.]

Subdivision 1. The maximum rate charged for publication of a public no-

tice shall not exceed the lowest classified rate paid by commercial users for comparable space in the newspapers in which the public notice appears, and shall include all cash discounts, multiple insertion discounts, and similar benefits extended to the newspaper's regular customers.

- Subd. 2. Notwithstanding subdivision 1, no newspaper may increase its rates for publication of public notices by more than ten percent per year over the maximum rate actually charged by the newspaper in the preceding year for publication of public notices, and in any case the new rate shall not exceed the rate described in subdivision 1 of this section. Nothing in this section shall be interpreted to mean that such an increase is required.
- Subd. 3. When the governing board of a local public corporation awards a contract for the publication of public notices based on competitive bidding, the rate established by the competitive bidding shall be the rate charged for publication of the public notices.
- Subd. 4. When a statute refers to publication of a public notice at the legal rate or at the rate provided in section 331.08, the maximum rate shall be as provided in this section.

Sec. 26. [331A.07] [AFFIDAVIT OF PUBLICATION.]

No compensation shall be recoverable for publishing legal or official matter in any newspaper not qualified, until there is filed with the county auditor the affidavit of a person having knowledge of the facts, showing the name and location of the newspaper and the existence of conditions constituting its qualifications as a qualified newspaper as set forth in section 21. If the matter published relates to proceedings in another county, a like affidavit must be filed with its auditor. The affidavit, if it states the required facts, shall be prima facie evidence of them and of the qualification. No compensation shall be recoverable for publishing legal or official matter in any newspaper unless the bill is accompanied by an affidavit of the publisher, or printer in charge, of the newspaper having knowledge of the facts, setting forth the fact that the newspaper has complied with all the requirements to constitute a legal newspaper. The affidavit must set forth the dates of the month and year and the day of the week upon which the legal or official matter was published in the newspaper.

Sec. 27. [331A.08] [COMPUTATION OF TIME.]

Subdivision 1. The time for publication of public notices shall be computed to exclude the first day of publication and include the day on which the act or event, of which notice is given, is to happen or which completes the full period required for publication.

Subd. 2. The time within which an act is to be done or proceeding had or taken, as prescribed by the rules of procedure, shall be computed by excluding the first day and including the last. If the last day is Sunday or a legal holiday the party shall have the next secular day in which to do the act or take the proceeding.

Sec. 28. [331A.09] [PUBLICATION ON SUNDAY.]

Any public notice may be printed in a newspaper published on Sunday, and the publication is a lawful publication and a full compliance with the order of the court or officer ordering the publication. Any notice that, by law or the order of any court, is required to be published for any given number of weeks may be published on any day in each week or the term, and if published as many weeks and as many times in each week as required by the law or order, it is a lawful publication.

Sec. 29. [331A.10] [CHANGE OF NAME OR DISCONTINUANCE OF NEWSPAPER.]

Subdivision 1. When a legal notice is required or ordered to be published in a particular newspaper and the name of the newspaper is changed before the publication is completed, the publication shall be made or continued in the newspaper under its new name with the same effect as if the name had not been changed. The proof of the publication, in addition to other requirements, shall state the change of name and specify the period of publication in the newspaper under each name.

Subd. 2. When a newspaper ceases to be published before the publication of a public notice is commenced, or when commenced ceases before the publication is completed, the order for publication, when one is required in the first instance, may be amended by order of the court or judge, to designate another newspaper, as may be necessary. If no order is required in the first instance, publication may be made or completed in any other qualified newspaper. Any time during which the notice is published in the first newspaper shall be calculated as a part of the time required for the publication, proof of which may be made by affidavit of any person acquainted with the facts.

Sec. 30. [331A.11] [APPLICATION.]

Subdivision 1. Sections 20 to 30 apply to all municipalities and local public corporations.

- Subd. 2. Sections 20 to 30 do not apply to notices required by private agreements or local laws to be published in newspapers, unless they refer to sections 20 to 30, or particular provisions of sections 20 to 30.
 - Sec. 31. Minnesota Statutes 1982, section 346.02, is amended to read:

346.02 [FINDER TO GIVE NOTICE; PENALTY.]

Every finder of an estray, within seven days thereafter, shall notify the owner thereof, if to him known, and request him to pay all reasonable charges and take such estray away; but, if such owner be to him unknown, he shall within ten days file a notice with the town clerk. The clerk shall transmit a copy thereof to the county recorder, who shall record the same in a book designated "estray book." If the estray is of less value than \$5, The finder shall give posted notice thereof of the finding of the estray in said town, but, if the value exceeds \$5, he shall give four weeks' published notice thereof. The notice shall briefly describe the estray, giving its marks, natural and artificial, as nearly as practicable, naming the residence of the finder, and specifying the town, section, and time when taken up. For failure to give such notice, the finder shall be liable to the owner of the estray in double the amount of damages sustained by him thereby.

Sec. 32. Minnesota Statutes 1982, section 370.04, is amended to read:

370.04 [RECORD PETITION; PUBLISH NOTICE.]

Upon issuance of the proclamation, the secretary of state shall record the petitions, affidavits, and proclamation, and shall cause three weeks' published notice of the proclamation to be given at the county seat of each county whose territory will be affected by the proposed change, and shall also transmit a certified copy of the proclamation, by mail, to the auditor of each county.

Sec. 33. Minnesota Statutes 1982, section 370.07, is amended to read:

370.07 [CANVASS; PROCLAMATION; SECRETARY OF STATE; AUDITOR; NOTICE TO COUNTY COMMISSIONERS.]

The state canvassing board shall canvass such returns at the time of canvassing the votes cast for state officers, and in the same manner; and it may resort to the returns received from the election judges for the correction of errors in the returns of the county canvassing board, and for supplying omissions therein. When the canvass is completed, the board shall make and file with the secretary of state its certificate declaring the result of the vote; and, if the certificate shows that the proposition has received a majority of the votes cast thereon in each county to be affected thereby, and also has received a majority of the votes cast thereon in the territory forming the proposed new county, if the proposition was for the establishment of a new county, the governor, within ten days thereafter, shall issue his proclamation declaring the same adopted. The secretary of state shall record the certificate and proclamation in his office, and transmit a certified copy of the proclamation to the auditor of each county whose territory is affected thereby. The auditor shall cause three weeks' published notice thereof to be given, and, if the proposition was for the establishment of a new county, shall serve a certified copy thereof on each of the persons elected as county commissioners of the new county. The proclamation shall also be published with the general laws enacted at the next session of the legislature thereafter.

Sec. 34. Minnesota Statutes 1982, section 371.04, is amended to read:

371.04 [NOTICE OF PROCLAMATION.]

Upon the issuing of the proclamation the secretary of state shall record the petitions, affidavits, and proclamation, and shall eause three weeks' published notice of the proclamation to be given in the county seat of each county affected thereby, and shall transmit a certified copy of the proclamation, by mail, to the auditor of each county.

Sec. 35. Minnesota Statutes 1982, section 372.02, is amended to read:

372.02 [FORM OF NOTICE.]

When the order is filed the auditor shall forthwith make, seal, subscribe, and file in his office a notice substantially in the following form: "To the legal voters of the county of (here name the county), Minnesota: Notice is hereby given that a petition is on file in my office, signed by legal voters of the county to the number of (here state number as shown by the petition and affidavits), praying that the county-seat of the county be changed to (here designate the place), and that a special meeting of the county board will be held at (name the place of meeting), on the (state time), to consider the petition, at which time and place any legal voter of the county may appear, in person or by counsel, and be heard." The auditor shall cause two weeks' published notice of the meeting to be given in all the newspapers of the county

and ten days' posted notice thereof of the meeting to be given in each town therein. Proof of publication and posting may be by the affidavit of any person having personal knowledge thereof, which affidavit shall be filed in the office of the auditor, and thereafter be prima facie evidence of the truth of the facts therein set forth. Two weeks' published posted notice of the intention to circulate such petition shall be given in one or more newspapers of the county, and two weeks' posted notice of such intention shall be given at the county-seat. Proof of the publication and posting shall be made in like manner as in the case of notice of the special meeting of the board.

Sec. 36. Minnesota Statutes 1982, section 372.08, is amended to read:

372.08 [CANVASS; CERTIFICATE OF CANVASSING BOARD.]

When the canvass is completed the canvassing board shall forthwith make, subscribe, and file with the auditor a certificate setting forth the total number of votes cast at the election, the number cast in each election district in favor of and against the change, and the majority in each for or against the same, the number cast in favor of and against the change in the county, and the majority therein for or against the same. If 55 percent of all the votes cast at the election shall be in favor of the change, the board shall give two weeks' published notice of the result in all the newspapers of the county. The notice shall state that from and after a date specified therein, which shall be set a date not less than 60 nor more than 90 days after the election, after which the place so chosen shall be the county-seat.

Sec. 37. Minnesota Statutes 1982, section 374.13, is amended to read:

374.13 [TO ADVERTISE FOR BIDS.]

Upon the completion of such plans and specifications and their approval or adoption by the city council and the board of county commissioners, the commission shall proceed to advertise for, after notice appropriate to inform possible bidders, obtain bids or proposals for all or any portion of the work or materials, or both, to be done, performed, or furnished in the construction of the building. The advertisement for bids or proposals shall be published in the official newspaper of such city, if there be one, and, if not, in any newspaper published in such county to be selected by the commission, and may be published in such other newspapers or publications, either within or without the state, as the commission may deem advisable, and shall be published for such length of time as the commission may determine. All bids or proposals shall be sealed by the bidders or proposers and shall be filed with the commission at or before the time specified in such advertising for the opening of bids or proposals. At the time and place specified in the advertisement for the opening of bids or proposals, the commission shall meet, open the bids or proposals, and tabulate the same, and shall thereupon award the contract or contracts to the responsible bidder whose bid or proposal is the most favorable to the city or county, or reject all bids and proposals. In the event all bids or proposals are rejected, the commission may readvertise for, after similar notice, obtain more bids or proposals or may modify or change the plans and specifications and submit such modified plans and specifications to the city council and the board of county commissioners for approval, and when such modified or changed plans and specifications are satisfactory to both the city council and the board of county commissioners, the plans and specifications shall be returned to the commission and the commission shall proceed to

again advertise for, after similar notice, obtain bids or proposals in the manner hereinbefore provided. Any such contract awarded by the commission shall be subject to approval by the city council and the board of county commissioners.

Sec. 38. Minnesota Statutes 1982, section 374.34, is amended to read:

374.34 [ADVERTISEMENT FOR BIDS.]

Upon the completion of such plans and specifications and their approval or adoption by the commission, the commission shall proceed to advertise for, after notice appropriate to inform possible bidders, obtain bids or proposals for all or any portion of the work or materials, or both, to be done, performed or furnished in the construction of the building. The advertisement for bids or proposals shall be published in the official newspaper of such city, if there be one, and in the official newspaper of such county, and may be published in such other newspapers or publications, either within or without the state, as the commission may deem advisable, and shall be published for such length of time as the commission may determine. All bids or proposals shall be sealed by the bidders or proposers and shall be filed with the commission at or before the time specified in such advertising for the opening of bids or proposals, at which time the commission shall meet, open the bids or proposals and tabulate the same, and shall thereupon award the contract or contracts to the responsible bidder whose bid or proposal is the most favorable, or reject all bids and proposals. In the event all bids or proposals are rejected, the commission may re advertise for, after similar notice, obtain more bids or proposals or may modify or change the specifications, and shall proceed to again advertise for, after similar notice, otain more bids or proposals in the manner hereinbefore provided.

Sec. 39. Minnesota Statutes 1982, section 375.025, subdivision 4, is amended to read:

Subd. 4. [REDISTRICTING PLAN; ELECTION FOLLOWING REDIS-TRICTING.] A redistricting plan whether prepared by the county board or the redistricting commission shall be filed in the office of the county auditor. Notice that the plan is on file shall be published in the newspaper having the contract for publishing the commissioners' proceedings for the current year. A redistricting plan shall be effective on the 31st day after publication of the notice filing unless a later effective date is specified; provided, no redistricting plan shall be effective as to the next election of county commissioners unless the plan shall have been filed with the county auditor not less than 30 days before the first date candidates may file for the office of county commissioner. One commissioner shall be elected in each district who, at the time of the election, shall be a resident thereof and the person so elected shall be entitled to hold the office only while he remains a resident of the commissioner district. The county board or the redistricting commission as appropriate shall determine the number of members of the county board who shall be elected for two year terms and for four year terms in order to provide for staggered terms on the county board. Thereafter, all commissioners shall be elected for four years. When a county is redistricted, there shall be a new election of commissioners in all the districts of the county at the next general election except that where the change made in the boundaries of a district is less than 10 percent of the average of all districts of the county, the commissioner in office at the time of the redistricting shall serve for the full period for which he was elected.

Sec. 40. Minnesota Statutes 1982, section 375.12, is amended to read:

375.12 [PUBLICATION OF PROCEEDINGS.]

Subdivision 1. The county board shall cause the official proceedings of its sessions to be published in some a qualified newspaper produced and published in its of general circulation in the county, which publication shall be let annually by contract to the lowest bidder, at the first regular session of the board in January each year. The board may elect to publish all or any part of the official proceedings; provided that in the case of partial publication, the published proceedings shall indicate in what respect they are incomplete If the county board determines that publication of a summary of the proceedings would adequately inform the public of the substance of the proceedings, the county board may direct that only a summary be published, conforming to the requirements of section 20, subdivision 10. In each county whose population exceeds 600,000, the proceedings shall be published in a daily newspaper. The board may reject any offer if, in its judgment, the public interests so require, and may thereupon designate a newspaper without regard to any rejected offer. In any county whose population exceeds 50,000, and is less than 250,000, the proceedings may be published in one daily and one weekly newspaper at their respective county seats. If the official newspaper of the county shall cease to exist for any reason, except by consolidation with another newspaper, the county board shall have authority to designate another newspaper for the remainder of the year. For the purpose of this section, a newspaper is produced and published in the county if it has in the county its known office of issue, as such term is defined in section 331.02, and if it does its typographic composition or presswork or both in the county. The publication shall occur within 30 days of the meeting to which the proceedings relate.

Subd. 2. Individualized itemized accounts, claims or demands allowed by the county board pursuant to section 471.38, subdivision 1, need not be published pursuant to subdivision 1, provided that the amount allowed from each claim is \$100 or less. The official proceedings following the itemization of accounts required shall contain a statement showing the total number of claims that did not exceed \$100, and the total dollar amount of those claims.

Sec. 41. [375.169] [PUBLICATION OF SUMMARY BUDGET STATE-MENT.]

Annually, upon adoption of the county budget, the county board shall cause a summary budget statement to be published in the official newspaper of the county, or if there is none, in a qualified newspaper of general circulation in the county. The statement shall contain information relating to anticipated revenues and expenditures in a form prescribed by the state auditor. The form prescribed shall be designed so that comparisons can be made between the current year and the budget year. A note shall be included that the complete budget is available for public inspection at a designated location within the county.

Sec. 42. Minnesota Statutes 1982, section 375.17, is amended to read:

375.17 [PUBLICATION OF FINANCIAL STATEMENTS.]

Annually, not later than the first Tuesday after the first Monday in March, the county board shall make a full and accurate statement of the receipts and expenditures of the preceding year, which shall contain a statement of the assets and liabilities, a summary of receipts, disbursements, and balances of all county funds together with a detailed statement of each fund account, under the form and style prescribed by and on file with the state auditor, which prescribed form and any changes or modifications thereof shall so far as practical be uniform for all counties and shall be approved by the attorney general and the state printer and within 30 days thereafter before June 1 shall cause the same to be published for one issue in some newspaper within the county, which newspaper must be a duly qualified legal newspaper, as provided by law. The county board may also refrain from publishing an itemized account of amounts paid out, to whom and for what purpose to the extent that the published proceedings of the county board contain such information. provided that all disbursements aggregating \$5,000 or more to any person are set forth in a schedule of major disbursements showing amounts paid out, to whom and for what purpose and are made a part of, and published with, the financial statement. The county board may refrain from publishing the names and amounts of salaries and expenses paid to employees but shall publish the totals of disbursements for salaries and expenses. The county board may refrain from publishing the names of persons receiving poor relief or direct relief and the amounts paid to each, but the totals of the disbursements for such purposes must be published. In addition to the publication thereof in the newspaper designated by the board as the official newspaper for publication of the financial statement, the same shall be published in one other newspaper of the county, if there be one located of general circulation in a different municipality in the county than the official newspaper. The county board shall call for separate bids for each publication. Insofar as any provision of this section is inconsistent with the provisions of section 393.07, the provisions of that section shall prevail.

- Sec. 43. Minnesota Statutes 1982, section 375.51, subdivision 3, is amended to read:
- Subd. 3. [PUBLICATION.] Every ordinance enacted by a county board shall be published at least once as part of the proceedings of the meeting at which the ordinance was enacted. Publication shall be made in the official newspaper of the county but additional publications, either in the official newspaper or other newspaper, may be ordered. An ordinance may be published in its entirety, or otherwise as hereinafter provided.

To the extent of the authority described in subdivision 1 of this section, a county may incorporate in an ordinance by reference any statute of Minnesota, any administrative rule or regulation of any department of the state of Minnesota affecting the county, or any code. The term "code" as used herein means any compilation of regulations or standards or parts thereof prepared by any governmental agency or any trade or professional association for general distribution in printed form as a standard or model on the subject of building construction, plumbing, electric wiring, inflammable liquids, sanitary provisions, public health, safety, or general welfare.

In the case of lengthy ordinances, or ordinances which include charts or maps, the ordinance need not be published in its entirety if the title of the ordinance and a summary of the ordinance conforming to section 20, subdivision 10, is included in the publication of the proceedings of the meeting at

which the ordinance was enacted, with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours at the office of the county auditor. In such case and in the case a statute, administrative rule or regulation or a code is adopted by reference, all requirements of statute for the publication of ordinances shall be satisfied if the summary of the ordinance or the ordinance incorporating the statute, regulation, ordinance or code is published in the required manner and if, prior to such publication, at least one copy of the entire ordinance or of the statute, rule, regulation or code are marked as the official copy and filed for use and examination by the public in the office of the county auditor. Provisions of the entire ordinance or of the statute, rule, regulation or code thus incorporated in such ordinance by reference shall be as much a part of the ordinance as if they had been set out in full therein.

Sec. 44. Minnesota Statutes 1982, section 375.52, is amended to read:

375.52 [REVISION AND CODIFICATION.]

Any county may revise and codify and print in book, pamphlet or newspaper form any general and special laws, ordinances, resolutions and rules in force in the county. Such codification shall be a sufficient publication of any ordinance included in it and not previously published in a newspaper if a substantial quantity of the codification is printed for general distribution to the public. A notice that copies of the codification are available in the office of the county auditor shall be published in the official county newspaper for at least two successive weeks. The county board is authorized to make a reasonable charge for the cost of printing and distribution of ordinances or a codification of ordinances.

- Sec. 45. Minnesota Statutes 1982, section 383A.27, subdivision 2, is amended to read:
- Subd. 2. [RULES; JOURNAL.] The board shall determine its own rules and order of business and shall provide for keeping a journal of its official proceedings. This journal shall be a public record and shall be published according to Minnesota Statutes, Section 375.12, in a newspaper having in the county its own office of issue, as this term is defined in Minnesota Statutes, Section 331.02, and doing its typographic composition and presswork in the county.
- Sec. 46. Minnesota Statutes 1982, section 412.191, subdivision 3, is amended to read:
- Subd. 3. [PUBLICATION OF COUNCIL PROCEEDINGS.] The council may publish all or any part of the official council proceedings in the official newspaper. In the case of partial publication, the published proceedings shall indicate in what respects they are incomplete after every regular or special meeting shall publish the official council proceedings, a summary conforming to section 20, subdivision 10, or a condensed version of the official minutes which shall include action on motions, resolutions, ordinances, and other official proceedings. The publication shall occur within 30 days of the meeting to which the proceedings relate.
- Sec. 47. Minnesota Statutes 1982, section 412.191, subdivision 4, is amended to read:
 - Subd. 4. [ENACTMENT OF ORDINANCES.] Every ordinance shall be

enacted by a majority vote of all the members of the council except where a larger number is required by law. It shall be signed by the mayor, attested by the clerk and published once in the official newspaper. In the case of lengthy ordinances, or ordinances which include charts or maps, if the city council determines that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance, the council may by a four-fifths vote of its members direct that only the title of the ordinance and a summary be published, conforming to section 20, subdivision 10, with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours at the office of the city clerk and any other location which the council designates. A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the council designates. Prior to the publication of the title and summary the council shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. The text of the summary shall be published in a body type no smaller than brevier or eight-point type, as defined in section 331:07. Proof of the publication shall be attached to and filed with the ordinance.

Sec. 48. Minnesota Statutes 1982, section 414.09, subdivision 3, is amended to read:

Subd. 3. [ELECTIONS OF MUNICIPAL OFFICERS.] An order approving an incorporation or consolidation pursuant to this chapter shall set a date for this election of new municipal officers not less than 45 days nor more than 60 days after the issuance of such order. The board shall appoint an acting clerk for election purposes, at least three election judges who shall be residents of the new municipality, and shall designate polling places within the new municipality.

The acting clerk shall prepare the official election ballot. Affidavits of candidacy may be filed by any person eligible to hold municipal office not more than four weeks nor less than two weeks before the date designated by the board for the election. At least one week before the first day to file such affidavits the acting elerk shall publish a notice in a newspaper qualified as a medium of official publication and of general circulation within the new municipality stating the first and last dates on which such affidavits may be filed, the location of the elerk's office, the elerk's office hours, and the amount of the filing fee.

The acting clerk shall publish a notice of election in a newspaper qualified as a medium of official publication and of general circulation within the new municipality for two successive weeks immediately prior to the date designated by the board for the election. The election notice shall state the purpose, date, and polling places for the election, and shall state the time the polls shall be open, which time shall be at least five hours.

The election shall be conducted in conformity with the charter and the laws

for conducting municipal elections insofar as applicable. Any person eligible to vote at a township or municipal election within the area of the new municipality, is eligible to vote at such election.

Any excess in the expense of conducting the election over receipts from filing fees shall be a charge against the new municipality; any excess of receipts shall be deposited in the treasury of the new municipality.

Sec. 49. Minnesota Statutes 1982, section 415.021, is amended to read:

415.021 [CODIFICATION OF ORDINANCES.]

Any city, however organized, may revise and codify and print in book, pamphlet or newspaper form, any ordinances, resolutions, and rules of the city and may include therein for reference any applicable general or special laws. Such codification shall be a sufficient publication of any ordinance included in it and not previously published in a newspaper if a substantial quantity of the codification is printed for general distribution to the public. A notice that copies of the codification are available at the office of the city clerk or recorder shall be published for at least two successive weeks in the official newspaper, or, if there is none, in a newspaper of general circulation in the city.

Sec. 50. Minnesota Statutes 1982, section 429.061, subdivision 2, is amended to read:

Subd. 2. [ADOPTION; INTEREST.] At such meeting or at any adjournment thereof the council shall hear and pass upon all objections to the proposed assessment, whether presented orally or in writing. The council may amend the proposed assessment as to any parcel and by resolution adopt the same as the special assessment against the lands named in the assessment roll. Notice of any adjournment of the hearing shall be adequate if the minutes of the meeting so adjourned show the time and place when and where the hearing is to be continued, or if three days notice thereof be published in the newspaper.

The council may consider any objection to the amount of a proposed assessment as to a specific parcel of land at an adjourned hearing upon further notice to the affected property owner as it deems advisable. At the adjourned hearing the council or a committee of it may hear further written or oral testimony on behalf of the objecting property owner and may consider further written or oral testimony from appropriate city officials and other witnesses as to the amount of the assessment. The council or committee shall prepare a record of the proceedings at the adjourned hearing and written findings as to the amount of the assessment. The amount of the assessment as finally determined by the council shall become a part of the adopted assessment roll. All objections to the assessments not received at the assessment hearing in the manner prescribed by this section are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

The assessment, with accruing interest, shall be a lien upon all private and public property included therein, from the date of the resolution adopting the assessment, concurrent with general taxes; but the lien shall not be enforceable against public property as long as it is publicly owned, and during such period the assessment shall be recoverable from the owner of such property only in the manner and to the extent provided in section 435.19. Except as

provided below, all assessments shall be payable in equal annual installments extending over such period, not exceeding 30 years, as the resolution determines, payable on the first Monday in January in each year, but the number of installments need not be uniform for all assessments included in a single assessment roll if a uniform criterion for determining the number of installments is provided by the resolution. The first installment of each assessment shall be included in the first tax rolls completed after its adoption and shall be payable in the same year as the taxes contained therein; except that the payment of the first installment of any assessment levied upon unimproved property may be deferred until a designated future year, or until the platting of the property or the construction of improvements thereon, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the council. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. In any event, every assessment the payment of which is so deferred, when it becomes payable, shall be divided into a number of installments such that the last installment thereof will be payable not more than 30 years after the levy of the assessment. All assessments shall bear interest at such rate as the resolution determines, not exceeding eight percent per annum, except that the rate may in any event equal the average annual interest rate on bonds issued to finance the improvement for which the assessments are levied. To the first installment of each assessment shall be added interest on the entire assessment from a date specified in the resolution levying the assessment, not earlier than the date of the resolution, until December 31 of the year in which the first installment is payable, and to each subsequent installment shall be added interest for one year on all unpaid installments; or alternatively, any assessment may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate specified above. In the latter event no prepayment shall be accepted under subdivision 3 without payment of all installments due to and including December 31 of the year of prepayment, together with the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis. When payment of an assessment is deferred, as authorized in this subdivision, interest thereon for the period of deferment may be made payable annually at the same times as the principal installments of the assessment would have been payable if not deferred; or interest for this period may be added to the principal amount of the assessment when it becomes payable; or, if so provided in the resolution levying the assessment, interest thereon to December 31 of the year before the first installment is payable may be forgiven.

- Sec. 51. Minnesota Statutes 1982, section 430.02, subdivision 3, is amended to read:
- Subd. 3. [NOTICE OF HEARING; HEARING; AWARD AND AP-PRAISEMENT.] The commissioners shall give notice, by two publications in the official newspaper of the city in a manner appropriate to inform the public, that the survey and plat and the pedestrian mall ordinance, if any, is on file in the office of the city clerk for the examination of all persons interested and that they will, on a day designated in this notice, which shall be at least ten days after the first publication of the notice, meet at a place designated in the notice on or near the proposed improvement, and view the prop-

erty proposed to be taken or interfered with for the purposes of these improvements, and ascertain and award therefor compensation and damages, and view the premises to be benefited by this improvement, and assess thereon in proportion to benefits, the amount necessary to pay the compensation and damage and the cost of making the improvement and that they will then and there hear such allegations and proofs as interested persons may offer. These commissioners shall meet and view the premises pursuant to the notice, and may adjourn, from time to time, and, after having viewed the premises, may, for the hearing of evidence and preparation of their award and assessment, adjourn or go to any other convenient place in the city, and may have the aid and advice of the city engineer and of any other officer of the city, and adjourn from time to time. If a pedestrian mall ordinance is proposed by the council under section 430.011, in connection with an improvement, the commissioners may consider the business uses of abutting property affected by such ordinance and by the improvement to which it relates and the probable effect which the ordinance and improvement will have on the value of such property and such uses and shall consider whether such property has access to some other street or alley for delivering and receiving merchandise and materials and the extent to which the use and value of property without such access will suffer as a result of the adoption of such ordinance and the making of such improvement. After viewing the premises and hearing the evidence offered, these commissioners shall prepare and make a true and impartial appraisement and award of the compensation and damages to be paid to each person whose property is to be taken or injured by the making of the improvement; but if the remainder of the same property, a part of which only is to be taken or damaged by the improvement. shall be benefited by the improvement, then the commissioners, in considering and awarding compensation and damages, shall also consider, estimate, and offset the benefits which will accrue to the same owner, in respect to the remainder of the same property, and award him only the excess of the compensation or damages over and above these benefits.

- Sec. 52. Minnesota Statutes 1982, section 430.02, subdivision 7, is amended to read:
- Subd. 7. [PUBLICATION OF NOTICE OF HEARING.] The commissioners shall, upon the completion of their report, file the same with the city clerk and thereupon it shall be the duty of the city clerk to give notice to all interested parties by publishing, as soon as possible, in the official newspaper of the city a notice containing prepare a list of descriptions of the several lots and parcels of land taken for these proposed improvements, the amount awarded for the taking of each lot or parcel, the names of the owner or owners of the same, descriptions of the several lots or parcels of land upon which benefits have been assessed, the amount assessed against each lot or parcel and the names of the owner or owners of the same the names of all owners referred to herein to be obtained from the commissioners, and, so far as may be necessary, from the records in the office of the county treasurer. If a pedestrian mall ordinance is proposed to be adopted in connection with the improvement under section 430.011, a copy of the proposed ordinance shall be published with the notice and the notice shall refer to the ordinance and shall state that any and all objections to the adoption of the ordinance will be heard and considered The clerk shall give notice of the proceedings appropriate to inform the owners of the proposed action. The published notice shall also designate and fix a place and time, not earlier than three weeks from date of publication of the same, at which a committee therein designated by the board of park commissioners or of the council will meet to hear and consider, from

or on the part of the owner or owners of the several lots or parcels of land taken for the proposed improvement and of the several lots or parcels of land upon which benefits have been assessed, any and all objections to the making of the improvement, to the amount of damages awarded for the taking of or interference with the property involved, to the amount of the assessment for benefits to any property affected by the proceedings, and any and all claims of irregularities in the proceedings of the city council, board of park commissioners, or the commissioners so appointed by either thereof.

- Sec. 53. Minnesota Statutes 1982, section 430.02, subdivision 11, is amended to read:
- Subd. 11. [COMMITTEE REPORT.] Within ten days from the conclusion of the hearing or hearings the committee shall file with the city clerk its report and recommendation on the matter so submitted, and upon such filing the city clerk shall give notice that this report and recommendation has been filed and that the same, together with the report of the commissioners, will be considered by the city council at a meeting thereof to be designated in the notice, which notice shall be published in the official newspapers of the city once a week for two consecutive weeks, the last publication thereof being at least two weeks before the meeting of the city council given in a manner appropriate to inform the persons affected and the public.
- Sec. 54. Minnesota Statutes 1982, section 430.02, subdivision 12, is amended to read:
- Subd. 12. [ACTION BY COUNCIL.] The city council, upon the day fixed for the consideration of the reports and recommendation or at any subsequent meeting to which the same may stand over or be referred, may, by resolution, annul and abandon the proceedings, or may confirm the awards and assessments or any or either thereof, or annul the same, or send the same back to the commissioners for further consideration; and the commissioners may, in such case, again meet at a time and place to be designated in a notice which shall be published by the city clerk once in the official newspaper of the city, eopies of which to be similarly mailed by the city clerk to all interested persons, at least two weeks prior to the meeting, and hear any further evidence that may be adduced by interested persons, and may adjourn from time to time, and may correct any mistakes in the award and assessment and alter and revise the same as they may deem just, and again report the same to the city council, who may thereupon confirm or annul the same. If it shall desire to confirm the awards and assessments, the city council shall then give its final reading to and vote on the adoption of any pedestrian mall ordinance proposed in connection with the improvement pursuant to section 430.011, and if it shall be amended or shall fail of adoption for lack of a sufficient majority of votes or otherwise, any improvement instituted in connection with such proposed ordinance shall either be abandoned or the awards and assessments shall be returned to the commissioners for further consideration.

Sec. 55. Minnesota Statutes 1982, section 430.04, is amended to read:

430.04 [AWARDS; HOW PAID; ASSESSMENTS.]

When any award of damages made to appellants upon any appeal to the district court shall exceed the amount of the award appealed from, and when any assessment of benefits made in respect to any appellant upon appeal shall

be less than the amount of the assessment of benefits appealed from, the amount of this increase in the amount of the award of damages and the amount of this decrease in the assessment of benefits may be paid by the city from the permanent improvement fund or any fund of the city available therefor, or the city council may cause the same to be assessed upon and against any property benefited by the proposed improvements in addition and without prejudice to prior assessments made thereon in the proceedings, and may refer the matter to the commissioners theretofore appointed by the council in the proceeding or to new commissioners to be appointed by the city council. These commissioners, whether new or old, shall have the same qualifications as required of commissioners appointed by section 430.02 and shall take oath to faithfully discharge their duties as commissioners and give notice of the time and place when and where they will meet to hear persons interested and assess the amounts of the increase of awards of damages and decrease of assessments of benefits upon the land and property, theretofore assessed for these benefits, or assess benefits on lots or parcels of land not theretofore assessed for benefits in the proceeding. The notice, as to the owners of the lots or parcels of land entitled to increase of awards upon any appeal, and as to the owners of any lots or parcels of land to be then assessed for benefits that were not so assessed in the original proceeding by the commissioners, shall be given by these commissioners by depositing the same in the post office of the city, postage postpaid, directed to each of the persons at his last known place of residence, if known to the commissioners, otherwise as obtained from the office of the county treasurer; provided that the failure of any owner to receive this notice shall not in any wise operate to invalidate any of the proceedings covered by this chapter. The commissioners shall meet, at the time and place so designated in their notice, hear all persons interested, and assess the amount of the increased awards of damages and decreased assessments of benefits, or new and original assessments of benefits, upon the property benefited by the proposed improvements, in proportion to the benefits, but in no case shall the amount of this assessment exceed the actual benefit to the lot or parcel of land so assessed, and the commissioners shall prepare and file with the city clerk an assessment list of the assessment so made by them, containing a brief description of each piece of property assessed, the name of the owners thereof, if known, and the amount assessed against the same, and the city clerk shall present this list to the city council for consideration. A brief minute of the presentation of this assessment list to the city council shall be made and published included in the record of the proceedings of the city council, which shall be held to be sufficient notice to all persons concerned. This assessment list shall lie over without action thereon by the city council until the next regular meeting of the council which will occur at least one week thereafter, at which time, or at any meeting thereafter, the city council may confirm the assessments and assessment roll, or send the same back to the commissioners for further consideration and report thereon. Any person interested who is dissatisfied with the amount of an assessment may appeal from the confirmation of the assessment by the city council to the district court, in like manner and with like proceedings as provided in section 430.03 in respect to filing objections and taking appeals from original appeals made in such proceedings from such order of confirmation. Any decrease made in any assessments upon any appeal may be paid by the city from the permanent improvement fund or from any fund of the city available therefor, or the city council may cause the same to be reassessed as hereinabove provided.

Sec. 56. Minnesota Statutes 1982, section 430.07, subdivision 5, is

amended to read:

Subd. 5. If, in any proceedings under this chapter, the actual cost of the improvement of any street, park, or parkway in the manner herein designated is less than the estimated cost thereof, as found and adopted by it, the city council, except as otherwise provided by this subdivision, shall immediately cancel and annul the assessments made in the proceedings to an amount which, in the aggregate, shall not exceed such fractional part of the total amount of the excess of estimated cost over the actual cost as shall be equivalent to the fraction obtained by dividing the total amount of the assessments by the total amount of the estimated cost.

In case the assessments in any proceeding have not been entirely collected or in case the city council deems that any such assessments cannot be fully collected, the city council may direct the city comptroller to retain in the fund in the proceeding a sum sufficient, in the judgment of the city council, to cover the deficiencies in the collection of the assessments, and the city council shall direct that the balance of the excess of estimated cost shall be disposed of in the following manner. The city council shall direct the city comptroller to certify the amount of this balance to the county auditor. The auditor shall thereupon deduct the amount from the first instalment of the assessment to be collected after the receipt of this certificate. This deduction shall be made from the assessment against each piece or parcel of property in the proportion that the excess, as certified by the city comptroller, bears to the total of the instalment of the assessment. If the balance as certified, exceeds one instalment, it shall also be deducted in like manner from succeeding instalments until the same is fully deducted.

If the assessment against a piece or parcel of property has been paid in full, and the amount to be refunded does not exceed \$1, the city council may deposit the amount of the potential refund in the city's permanent improvement fund or bond redemption fund. If the amount to be refunded exceeds \$1, but does not exceed \$20, the city comptroller shall mail to the current owner of the property a notice stating that the refund is available. The notice shall be mailed within 60 days after the city council determines the actual cost of the improvement. If the amount to be refunded exceeds \$20 the following notice procedure shall be followed. The city comptroller shall mail to the person who owned the property when the assessment was paid, at his last known address, a notice stating that the refund is available. The notice shall be mailed within 60 days after the city council determines the actual cost of the improvement. If a response is not received from the owner within ten days of the date of mailing, a second notice shall be mailed. If a response is not received from the owner within ten days of the date of the second mailing, a notice of refund containing the name of the person who was the owner when the assessment was paid, and the address of the property shall be published in a newspaper of general eirculation in the eity. If the refund is not claimed by the person who owned the property when the assessment was paid, within 30 days of the date of mailing of the last required notice or within 30 days of the date of publication of any required notice, whichever is later, the city council may deposit the amount of the potential refund in the city's permanent improvement fund or bond redemption fund.

Sec. 57. Minnesota Statutes 1982, section 430.102, subdivision 3, is amended to read:

- Subd. 3. [ANNUAL IMPROVEMENT ASSESSMENT PROCEDURE; APPEALS.] When the council shall have acted on the estimate of costs, the city engineer, with the assistance of the city assessor, shall prepare an assessment roll setting forth separately the amounts to be specially assessed against the benefited and assessable properties in the district in proportion to the benefits, descriptions of such properties, and the names of the owners of such properties, so far as such names are available to him. The assessment roll, when so prepared, shall be filed in the office of the city clerk and be there available for inspection. The city council shall meet to consider objections to the amounts of such special assessments at least ten days after a notice of hearing has been published once in the official newspaper and mailed to the named owners of all tracts, parcels and lots of property proposed to be assessed. The notice shall set forth the time and place of meeting, and set forth the purpose of such meeting, but may refer to the assessment roll for further particulars. When the city council shall have approved the amounts of the special assessments set forth therein, or as may be changed by it, the city clerk shall forthwith certify a copy of the assessment roll, with such changes, if any, to the county auditor to be extended on the tax lists of the county and to be collected with and in the same manner as other taxes on property for the current year. Within 20 days after the adoption of the assessment, any person aggrieved may appeal to the district court as provided in section 430.03 except that commissioners shall not be appointed to consider the amount of benefits; if the court shall find that the assessment is not arbitrary, unreasonable, or made under a demonstrable mistake of fact or erroneous theory of law, it shall confirm the proceedings, but otherwise shall remand the same to the city council for reconsideration and reassessment of the benefits upon like notice and hearing as in the case of original assessments under this subdivision. All objections to the assessment shall be deemed waived unless presented on such appeal.
- Sec. 58. Minnesota Statutes 1982, section 435.202, subdivision 2, is amended to read:
- Subd. 2. [REFUND OF ASSESSMENTS.] The governing body of the municipality shall also notify the municipal clerk or recorder of such fact, and he shall forthwith publish a provide notice in the official newspaper of the municipality appropriate to inform interested persons describing the improvement and stating that it has been abandoned and that any person who paid any special assessments levied on account of such improvement may file a claim, within six months following the date of publication of the notice, for refund of such assessments paid by him, together with any interest he paid thereon. If the municipality has no official newspaper, such notice may be published in any newspaper published in the municipality or, if no newspaper is published in the municipality, it may be posted. The municipality is not required to, but may, pay such claims filed after the period allowed, and it may require any claimant to furnish satisfactory evidence that he paid the amounts claimed. Such claims may be paid out of moneys in the fund of the improvement which was abandoned, unless obligations have been issued payable therefrom, or they may be paid out of moneys in the general fund.
 - Sec. 59. Minnesota Statutes 1982, section 441.04, is amended to read:

441.04 [ADVERTISE FOR BIDS.]

As soon as the plans and specifications are approved by the council of each

city the committee shall eause advertisements to be published once in each week for three successive weeks in a daily newspaper of each city for give notice appropriate to inform interested persons requesting public bids for the construction of the bridge, specifying the time and place for opening the bids, the amount and character of deposit required with the bids, together with any reasonable requirements or conditions, and reserving the right to reject any and all bids. No contract shall be let except to the lowest responsible bidder; provided that any such city, acting through its council, may submit a bid and if its bid be the lowest bid the contract shall be awarded to the city, subject to the power of the committee to reject all bids.

- Sec. 60. Minnesota Statutes 1982, section 462.427, subdivision 3, is amended to read:
- Subd. 3. [PUBLIC HEARING; NOTICE; PUBLICATION; RESOLUTION.] The governing body of a political subdivision shall not adopt any resolution authorized by this and section 462.426 unless a public hearing has first been held. The clerk of such political subdivision shall give notice of the time, place, and purpose of the public hearing not less than ten days nor more than 30 days prior to the day on which the hearing is to be held, in a newspaper published in such political subdivision, or if there is no newspaper published in such political subdivision, then in a newspaper published in the state and having a general circulation in such political subdivision manner appropriate to inform the public. Upon the date fixed for such public hearing an opportunity to be heard shall be granted to all residents of such political subdivision and to all other interested persons. The resolution shall be published in a newspaper of general circulation in the political subdivision.
 - Sec. 61. Minnesota Statutes 1982, section 465.32, is amended to read:

465.32 [NOTICE OF MEETING.]

The appraisers shall give notice of their meeting by publication in the offieial newspaper of the city, once a week for six consecutive weeks, which last publication shall be at least ten days before the day of such meeting in a manner appropriate to inform the public, which notice shall name the stream to be diverted, the point of diversion, the general course of the new channel and the height to which it is proposed to raise or maintain any lake, the location of proposed bridges, culverts, or tunnels, the estimated cost of construction, and contain a description of the lands designated by the city council to be taken for right of way and for flowage purposes, and give notice that a plan of the improvement has been filed in the office of the city clerk, and that the appraisers will meet at a place and time designated in the notice, and thence proceed to view the premises and appraise the damages for property to be taken, or which may be damaged by the diversion of water or otherwise by such improvement, and to assess benefits in the manner hereinafter specified. If any portion of such stream or of the lands to be taken is outside of the county containing such city, then the notice shall be published for a like time in some newspaper in such also be given in the outside county.

- Sec. 62. Minnesota Statutes 1982, section 465.38, is amended to read:
- 465.38 [NOTICE OF APPRAISEMENT; CONFIRMATION OR ANNULMENT.]

Upon such report being filed, the city clerk shall give notice that such

appraisement has been returned and that the same will be considered by the city council at a meeting thereof to be named in the notice, which notice shall contain the schedule of damages awarded and benefits assessed and be published in the official newspaper of the city once a week for two consecutive weeks, and the last publication shall be at least ten days before such meeting given in a manner appropriate to inform the public. Any person interested in any building standing in whole or in part upon any land required to be taken by such improvement shall, on or before the time specified for the meeting in such notice, notify the city council in writing of his election to remove such building, if he so elect. The city council, upon the day fixed for the consideration of such report, or at any subsequent meeting to which the same may stand over or be referred, shall have power in their discretion to confirm, revise, or annul the appraisement and assessment, giving due consideration to any objections interposed by parties interested in the manner hereinafter specified; provided that the city council shall not have the power to reduce the amount of any award nor increase any assessment. In case the appraisement and assessment is annulled, the city council may thereupon appoint new appraisers, who shall proceed in like manner as in case of the first appraisement, and upon the coming in of their report, the city council shall proceed in a like manner and with the same powers as in the case of the first appraisement.

Sec. 63. [471.6965] [PUBLICATION OF SUMMARY BUDGET STATEMENT.]

Annually, upon adoption of the city budget, the city council shall publish a summary budget statement in the official newspaper of the city, or if there is none, in a qualified newspaper of general circulation in the city. The statement shall contain information relating to anticipated revenues and expenditures, in a form prescribed by the state auditor. The form prescribed shall be designed so that comparisons can be made between the current year and the budget year. A note shall be included that the complete budget is available for public inspection at a designated location within the city.

Sec. 64. Minnesota Statutes 1982, section 471.697, subdivision 1, is amended to read:

Subdivision 1. In any city with a population of more than 2,500 according to the latest federal census, the city clerk or chief financial officer shall:

- (a) Prepare a financial report covering the city's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year and publish the report or a summary of the report, in a form as prescribed by the state auditor, in a qualified newspaper of general circulation in the city or, if there be is none, post copies in three of the most public places in the city, no later than 30 days after the report is due in the office of the state auditor. The report shall contain financial statements and disclosures which present the city's financial position and the results of city operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor:
- (b) File the financial report in his office for public inspection and present it to the city council after the close of the fiscal year. One copy of the financial

report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b) above.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Sec. 65. Minnesota Statutes 1982, section 471.698, subdivision 1, is amended to read:

Subdivision 1. In any city with a population of less than 2,500 according to the latest federal census, the city clerk or chief financial officer shall:

- (a) Prepare a detailed statement of the financial affairs of the city including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions in the style and form prescribed by the state auditor, for the preceding fiscal year showing all money received, with the sources, and respective amounts thereof; all disbursements for which orders have been drawn upon the treasurer; the amount of outstanding and unpaid orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable; the amount of money remaining in the treasury; and all items necessary to show accurately the revenues and expenditures and financial position of the city;
- (b) File the statement in his office for the public inspection and present it to the city council within 45 days after the close of the fiscal year;
- (c) (1) Publish the statement within 60 90 days after the close of the fiscal year in a qualified newspaper published of general circulation in the city; or
- (2) If there is no qualified newspaper of general circulation in the city, the clerk shall, at the direction of the city council, publish the statement in the official newspaper published elsewhere or post copies in three of the most public places in the city; or
- (3) If city council proceedings are published monthly or quarterly, showing to whom and for what purpose orders are drawn upon the treasurer, the annual statement to be published as required by this section may be summarized in such form as the state auditor may prescribe. It is not necessary to publish individual disbursements of less than \$100, if disbursements aggregating \$1,000 or more to any person, firm, or other entity are set forth in a schedule of major disbursements showing amounts paid out, to whom, and for what purpose, and are made a part of and published with the financial statement; and
- (d) Submit within 90 days after the close of the fiscal year a copy of the statement to the state auditor in such summary form as the state auditor may

prescribe.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Sec. 66. Minnesota Statutes 1982, section 472.04, subdivision 2, is amended to read:

Subd. 2. The governing body of a municipality shall consider such a resolution only after a public hearing thereon after notice published in a qualified newspaper at least once, appropriate to inform the public given not less than 10 nor more than 30 days prior to the date of the hearing. Opportunity to be heard shall be granted to all residents of the municipality and its environs and to all other interested persons. The resolution shall be published in the same manner in which ordinances are published in the municipality.

Sec. 67. Minnesota Statutes 1982, section 484.30, is amended to read:

484.30 [ADJOURNED AND SPECIAL TERMS.]

The judges of each district may adjourn court from time to time during any term thereof, and may appoint special terms for the trial of issues of law and fact, and, when necessary, direct petit juries to be drawn therefor. Three weeks' published notice of every special term shall be given in the county wherein it is to be held. They may also appoint special terms for the hearing of all matters except issues of fact, the order for which shall be filed with the clerk, and a copy posted in his office for three weeks prior to the term.

Sec. 68. [REPEALER.]

Minnesota Statutes 1982, sections 55.09; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51, are repealed.

Sec. 69. [EFFECTIVE DATE.]

Sections 1 to 68 are effective January 1, 1985, except as they apply to independent school districts, with respect to which sections 1 to 68 are effective July 1, 1985."

Amend the title as follows:

Page 1, line 8, delete "160.17,"

Page 1, line 9, delete everything before "206.17"

Page 1, line 10, delete "279.09;"

Page 1, line 14, delete everything after the second semicolon

Page 1, line 17, delete "375.21, subdivision 1;"

Page 1, line 19, delete "412.311;"

Page 1, line 24, delete "471.6985;" and after "2;" insert "and"

Page 1, line 25, delete "and 492.02, subdivision 3;"

Page 1, line 29, delete "306.16, subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 1436: A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 290.01, by adding a subdivision; 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 34, delete "ENERGY"

Page 2, line 35, delete "energy"

Page 3, line 2, delete "gaseous, liquid, or solid fuel and"

Page 3, delete lines 3 to 5 and insert "an agricultural product."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 1279: A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 147.01, subdivision 4, is amended to read:

Subd. 4. [DISCLOSURE.] All communications or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction, and all records of any action or proceedings thereon, except only a final decision of the board, which shall state the specific reason therefor shall be confidential and privileged within the meaning of section 595.02, elause 5 subdivision 1, paragraph (e), and shall not be public records within the meaning of section 15.17, subdivision 4; provided that upon application of a party in a proceeding before the board pursuant to section

147.021, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

Sec. 2. [260.156] [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.]

An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence in any dependency or neglect proceeding or any proceeding for termination of parental rights if:

- (a) The court finds that the time, content, and circumstances of the statement provide sufficient indicia of reliability; and
- (b) The proponent of the statement notifies other parties of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence, to provide the parties with a fair opportunity to meet the statement.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 260.315, is amended to read:

260.315 [CONTRIBUTING TO NEGLECT OR DELINQUENCY.]

Any person who by act, word or omission encourages, causes or contributes to the neglect or delinquency of a child, or to a child's status as a habitual truant, runaway, juvenile petty offender, juvenile alcohol offender, or juvenile controlled substance offender, is guilty of a misdemeanor.

Sec. 4. Minnesota Statutes 1982, section 595.02, is amended to read:

595.02 [TESTIMONY OF WITNESSES.]

Subdivision 1. [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows provided in this subdivision:

- (1) (a) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights.
- (2) (b) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of the at-

torney be examined as to the communication or advice, without the client's consenta.

- (3) (c) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of the person.
- (4) (d) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of the patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of the deceased person for the purpose of waiving this privilege, and no oral or written waiver of the privilege shall have any binding force or effect except when made upon the trial or examination where the evidence is offered or received; This exception does not apply to any testimony, records, or other evidence relating to the abuse or neglect of a minor in any proceeding arising out of the neglect or physical or sexual abuse of a minor as defined in section 626.556, subdivision 2.
- (5) (e) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure.
- (6) (f) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear ineapable of receiving just impressions of the if any of them lack capacity to remember or truthfully relate facts respecting which they are examined, or of relating them truly, are not competent witnesses. This exception does not apply to A child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 609.364, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in describing any act of sexual contact or penetration performed on or with the child by another may use language appropriate for a child of that age the events or facts respecting which the child is examined;
- (7) (g) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity. This exception does not apply to any testimony, records, or other evidence relating to the abuse or neglect of a minor in any proceeding arising out of the alleged neglect or physical or sexual abuse of a minor as defined in section 626.556, subdivision 2.
- (8) (h) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication

if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege;

- (9) (i) A parent or his minor child may not be examined as to any communication made in confidence by the minor to his parent. A communication is confidential if made out of the presence of persons not members of the child's immediate family living in the same household. This exception may be waived by express consent to disclosure by a parent entitled to claim the privilege or by the child who made the communication, or by failure of the child or parent to object when the contents of a communication are demanded. This exception does not apply to a civil action or proceeding by one spouse against the other or by a parent or child against the other, nor to a proceeding to commit either the child or parent to whom the communication was made or to place the person or property or either under the control of another because of his alleged mental or physical condition, nor to a criminal action or proceeding in which the parent is charged with a crime committed against the person or property of the communicating child, the parent's spouse, or a child of either the parent or the parent's spouse, or in which a child is charged with a crime or act of delinquency committed against the person or property of a parent or a child of a parent, nor to an action or proceeding for termination of parental rights, nor any other action or proceeding on a petition alleging child abuse, child neglect, abandonment or nonsupport by a parent;.
- (10) (j) Sexual assault counselors may not be compelled to testify about any opinion or information received from or about the victim without the consent of the victim. However, a counselor may be compelled to identify or disclose information in investigations or proceedings related to neglect or termination of parental rights if the court determines good cause exists. In determining whether to compel disclosure, the court shall weigh the public interest and need for disclosure against the effect on the victim, the treatment relationship, and the treatment services if disclosure occurs. Nothing in this clause exempts sexual assault counselors from compliance with the provisions of sections 626.556 and 626.557.

"Sexual assault counselor" for the purpose of this section means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a supervisor in a crisis center, whose primary purpose is to render advice, counseling or assistance to victims of sexual assault.

- Subd. 2. [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.] An out-of-court statement made by a child under the age of ten years alleging, explaining, denying, or describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence if:
- (a) the court or person authorized to receive evidence finds, in a hearing conducted outside of the presence of the jury, that the time, content, and circumstances of the statement provide sufficient indicia of reliability; and

- (b) the child either:
- (i) testifies at the proceedings; or
- (ii) is unavailable as a witness and there is corroborative evidence of the act: and
- (c) the proponent of the statement notifies the adverse party of his intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence to provide the adverse party with a fair opportunity to prepare to meet the statement.
- Sec. 5. Minnesota Statutes 1982, section 609.341, subdivision 11, is amended to read:
- Subd. 11. "Sexual contact" includes any of the following acts committed without the complainant's consent, if the acts can reasonably be construed as being for the purpose of satisfying the actor's sexual or aggressive impulses, except in those cases where consent is not a defense:
- (i) The intentional touching by the actor of the complainant's intimate parts, or
- (ii) The touching by the complainant of the actor's, the complainant's, or another's intimate parts effected by coercion or the use of a position of authority, or by inducement if the complainant is under 13 years of age or mentally handicapped, or
- (iii) The touching by another of the complainant's intimate parts effected by coercion or the use of a position of authority, or
- (iv) In any of the cases above, of the clothing covering the immediate area of the intimate parts.
- Sec. 6. Minnesota Statutes 1982, section 609.341, subdivision 14, is amended to read:
- Subd. 14. "Coercion" means a threat to unlawfully words or circumstances that cause the complainant reasonably to fear that the actor will inflict bodily harm upon, or hold in confinement, the person threatened complainant or another.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 609.344, is amended to read:

609.344 [CRIMINAL SEXUAL CONDUCT IN THE THIRD DEGREE.]

A person is guilty of criminal sexual conduct in the third degree and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$10,000, or both, if he engages in sexual penetration with another person and any of the following circumstances exists:

- (a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant shall be a defense; or
- (b) The complainant is at least 13 but less than 16 years of age and the actor is more than 24 months older than the complainant. In any such case it shall be an affirmative defense, which must be proved by a preponderance of the

evidence, that the actor believes the complainant to be 16 years of age or older. If the actor in such a case is no more than 48 months but more than 24 months older than the complainant, he may be sentenced to imprisonment for not more than five years. Consent by the complainant is not a defense; or

- (c) The actor uses force or coercion to accomplish the penetration; or
- (d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or
- (e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.
- Sec. 8. Minnesota Statutes 1983 Supplement, section 609.345, is amended to read:

609.345 [CRIMINAL SEXUAL CONDUCT IN THE FOURTH DEGREE.]

A person is guilty of criminal sexual conduct in the fourth degree and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$5,000, or both, if he engages in sexual contact with another person and if any of the following circumstances exists:

- (a) The complainant is under 13 years of age and the actor is no more than 36 months older than the complainant. Neither mistake as to the complainant's age or consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced; or
- (b) The complainant is at least 13 but less than 16 years of age and the actor is more than 48 months older than the complainant or in a position of authority over the complainant and uses this authority to cause the complainant to submit. In any such case, it shall be an affirmative defense which must be proved by a preponderance of the evidence that the actor believes the complainant to be 16 years of age or older; or
 - (c) The actor uses force or coercion to accomplish the sexual contact; or
- (d) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or
- (e) The complainant is at least 16 but less than 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.
 - Sec. 9. Minnesota Statutes 1982, section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. [DEFINITION; CONVICTION OF OFFENSE.] For purposes of this section, the term "offense" means a completed offense or an attempt to commit an offense.

Subd. 2. [SUBSEQUENT OFFENSE; PENALTY.] If a person is con-

victed of a second or subsequent offense under sections 609.342 to 609.345 or sections 609.364 to 609.3644 within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

- Subd. 2 3. [PRIOR CONVICTIONS UNDER SIMILAR STATUTES.] For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 or sections 609.364 to 609.3644 or under any similar statute of the United States, or this or any other state.
- Sec. 10. Minnesota Statutes 1982, section 609.347, subdivision 3, is amended to read:
- Subd. 3. In a prosecution under sections 609.342 to 609.346 or 609.3641 to 609.365, evidence of the complainant's previous sexual conduct shall not be admitted nor shall any reference to such conduct be made in the presence of the jury, except by court order under the procedure provided in subdivision 4, and only to the extent that the court finds that any of the following proposed evidence is material to the fact at issue in the case and that its inflammatory or prejudicial nature does not outweigh its probative value:
- (a) When consent or fabrication by the complainant is the defense in the case, evidence of such conduct tending to establish a common scheme or plan of similar sexual conduct under circumstances similar to the case at issue on the part of the complainant, relevant and material to the issue of consent or fabrication. Evidence of such conduct engaged in more than one year prior to the date of alleged offense is inadmissible;
- (b) Evidence of specific instances of sexual activity showing the source of semen, pregnancy, or disease at the time of the incident or, in the case of pregnancy, between the time of the incident and trial;
 - (c) Evidence of the complainant's past sexual conduct with the defendant;
- (d) For purposes of impeachment, when such evidence is offered to rebut specific testimony of the complainant.
- Sec. 11. Minnesota Statutes 1982, section 609.364, subdivision 9, is amended to read:
- Subd. 9. [FAMILIAL RELATIONSHIP.] "Familial relationship" means a situation in which the actor is:
 - (a) The complainant's parent, stepparent, or guardian;
- (b) Nearer of kin to the complainant than first cousin, computed by rules of the civil law, whether of the half or the whole blood;
- (e) Any of the following persons related to the complainant by *blood*, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or
 - (d) (c) An adult who jointly resides intermittently or regularly in the same

dwelling as the complainant and who is not the complainant's spouse.

- Sec. 12. Minnesota Statutes 1982, section 626.556, subdivision 8, is amended to read:
- Subd. 8. [EVIDENCE NOT PRIVILEGED.] No evidence regarding the child's injuries relating to the neglect or abuse of a child or to any prior incidents of neglect or abuse involving any of the same persons accused of neglect or abuse shall be excluded in any proceeding arising out of the alleged neglect or physical or sexual abuse on the grounds of either a physician-patient or husband wife privilege set forth in section 595.02, subdivision 1, paragraphs (a), (d), or (g).

Sec. 13. [EFFECTIVE DATE.]

Sections 3, 7, and 8 are effective August 1, 1984, and apply to crimes committed on or after that date. Sections 2, 4, and 12 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 147.01, subdivision 4; 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.344; and 609.345; proposing new law coded in Minnesota Statutes, chapter 260."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 2136: A bill for an act relating to the American constitution bicentennial; creating a commission to promote and coordinate commemoration of the event; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 9, delete "25" and insert "15"
- Page 1, line 11, delete "Fourteen" and insert "The"
- Page 1, line 12, delete everything after "governor"
- Page 1, delete lines 13 and 14
- Page 1, line 15, delete everything before the period and after the period, insert "The appointments to the commission shall reflect the political, geographic, ethnic and racial diversity of the state."
- Page 1, line 17, delete "in the same manner and amount" and after "as" insert "provided in the commissioner's plan for unrepresented"
 - Page 1, line 21, delete everything after the period

- Page 1, delete lines 22 to 25
- Page 2, delete lines 1 and 2

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- H.F. No. 1620: A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Ms. Berglin from the Committee on Health and Human Services, to which was referred
- S.F. No. 2003: A bill for an act relating to state departments and agencies; providing for a study of expanding long-term care ombudsman responsibilities to include community-based care for persons 65 years of age or older.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [STUDY.]

The director of the state planning agency shall study the need for further development of mechanisms to help assure quality of care for persons who receive community-based care services. Community-based services are those services which are provided in order to maintain disabled individuals in residential settings that are noninstitutional in nature. They may be provided in the person's own home or similar living arrangement, such as homemaker services, or in settings to which the client travels, such as adult day care.

The study shall utilize existing reports and studies in progress in the completion of its work.

The study shall identify current mechanisms for quality assurance for community-based care, including the interrelationships of the various agencies involved and the scope of their responsibilities. The study shall examine:

- (1) the estimated need for additional or new quality assurance controls for community-based care programs, including projected utilization rates under the alternative care grants program;
- (2) quality assurance issues relating to regulating both publicly and privately funded community-based care services, especially as they relate to unlicensed services;
- (3) any evidence of current quality assurance problems in community-based care and data collection;
- (4) the advisability of expanding the responsibilities of the long term care ombudsman program to include recipients of community-based care services

and the estimated state costs of expanding the long term care ombudsman's responsibilities to adequately respond to consumer complaints about community-based care; and

(5) the relationship between the quality assurance system for persons age 60 or over and quality assurance mechanisms for other persons using community-based care, including people who are mentally retarded or mentally ill.

The study may also examine alternatives to existing quality assurance mechanisms, including increased involvement by citizen monitoring groups. The study may also recommend criteria for determining where state regulation is indicated. If the study recommends expanding the current quality assurance system to include community-based care, or if an alternative quality assurance mechanism is recommended, the study shall also recommend methods for regular evaluation of the quality assurance mechanism's effectiveness.

The director shall report to the legislature on its progress by January 31, 1985."

Delete the title and insert:

"A bill for an act relating to state departments and agencies; providing for a study of the need for further development of mechanisms to help assure quality of care for persons who receive community-based care services."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1875: A bill for an act relating to energy; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes 1982, section 116J.19, subdivision 13; Minnesota Statutes 1983 Supplement, sections 116J.09; 116J.18, subdivision 1; and 116J.31; proposing new law coded in Minnesota Statutes, chapter 116J.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 16.02, is amended by adding a subdivision to read:
- Subd. 30. [ENERGY CONSERVATION INCENTIVES.] Notwithstanding any other law to the contrary, fuel cost savings resulting from energy conservation actions shall be available at the managerial level at which the actions took place for expenditure for other purposes within the biennium in which the actions occur or in the case of a shared savings agreement for the contract period of the shared savings agreement. For purposes of this subdivision "shared savings agreement" means a contract meeting the terms and conditions of subdivision 29.
 - Sec. 2. Minnesota Statutes 1982, section 116J.19, subdivision 13, is

amended to read:

Subd. 13. Beginning January 1, 1978, No new room air conditioner or room air conditioner heat pump shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher. Beginning January 1, 1985, the energy efficiency ratio must be 7.8 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. To determine the energy efficiency ratio, all room air conditioner models shall be tested in accordance with the methods and conditions specified in American National Standard 2234.1, and American Society of Heating, Refrigerating, and Air Conditioning Engineers Standard 16.69 The cooling capacity, electrical input, and energy efficiency ratio of room air conditioners and room air conditioning heat pumps is determined by using the standard for room air conditioners, approved by the American National Standards Institute on April 20, 1972, known as ANSI/AHAM RAC-1. with ASHRAE 58-74 used in lieu of ASHRAE 58-65. The method of sampling of room air conditioners shall be that required by the Department of Energy and found in 44 Federal Register 22410-22418 (April 13, 1979). A new room air conditioner having dual voltage ratings shall conform to the energy efficiency ratio requirements at each rating. This subdivision shall not apply to air conditioners in Minnesota on October 1, 1977.

Sec. 3. [116J.261] [ALTERNATIVE ENERGY TECHNICAL ACTIVITY.]

Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an alternative energy technical activity. The activity shall facilitate the development of specific projects in the public and private sectors and provide a broad range of information, education, and technical asistance services necessary to accelerate energy conservation and alternative energy development in the state.

Subd. 2. [DUTIES.] The alternative energy technical activity shall:

- (a) provide on-site technical assistance for alternative energy and conservation projects;
- (b) develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;
- (c) conduct feasibility studies when the results of the studies would be of benefit to others working in the same area;
- (d) facilitate development of energy projects through assistance in finding financing, meeting regulatory requirements, gaining public and private support, limited technical consultation, and similar forms of assistance; and
 - (e) work with and use the services of Minnesota design professionals.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.31, is amended to read:

116J.31 [ENERGY AUDITS.]

The commissioner shall develop and administer state programs of energy

audits of residential and commercial buildings including those required by United States Code, title 42, section 8211, et seq. and section 8281, et seq. The attorney general may release information on consumer complaints about the operation of the program to the commissioner. The commissioner shall continue to administer the residential energy audit program as originally established under the provisions of United States Code, title 42, section 8211, et seq; through July 1, 1986 irrespective of any prior expiration date provided in United States Code, title 42, section 8216. The commissioner may approve temporary programs if they are likely to result in the installation of as many conservation measures as would have been installed had the utility met the requirements of United States Code, title 42, section 8211, et seq. The consumer services division and the attorney general may release information on consumer comments about the operation of the program to the commissioner.

Sec. 5. Minnesota Statutes 1982, section 116J.36, as amended by Laws 1983, chapter 301, section 129, is amended to read:

116J.36 [DISTRICT HEATING AND QUALIFIED ENERGY IM-PROVEMENT LOANS.]

Subdivision 1. [POLICIES.] Developing and improving efficient and economical district heating systems and certain public works capital improvements which conserve energy or substitute a lower cost, more plentiful, or indigenous fuel is a public purpose for state and local financing and a proper function of state and local government. Climate and geography make a reliable, economic supply of energy essential for industrial, commercial industry, commerce, and residential heating. Imported supplies of certain fuels are increasingly costly, unreliable, and environmentally disadvantageous. District heating systems employing cogeneration techniques and innovative technology offer an important means of increasing the efficiency of Minnesota's energy systems and reducing the state's reliance on imported energy supplies. The combination of the large initial capital cost and investors' lack of familiarity with district heating has made the private market reluctant to provide the necessary capital for district heating projects. As a result, public leadership, cooperation, and aid are needed to demonstrate the feasibility of district heating systems by establishing economically viable municipal district heating systems as demonstration projects. Qualified energy improvements may offer municipalities opportunities for reducing energy costs or generating revenues from wastes. Municipal district heating systems and other qualified improvements may be financed by loans from the state and from other sources available to municipalities.

Subd. 2. [DEFINITIONS.] In this section:

- (a) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.
- (b) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

- (c) "Municipality" means any county, city, town, school district or a municipal power agency, of formed pursuant to sections 453.53 to 453.62. Municipality also means a public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized of a district heating system only, municipality also means a nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.
- (d) "District heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.
- (e) "Qualified energy improvement" means a cost-effective capital improvement to public land, buildings, or energy using systems, other than a district heating system, including the purchase or installation of equipment to reduce the usage of conventional energy sources or to use alternative energy resources. Qualified energy improvements also include waste-to-energy facilities which meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.
- Subd. 3. [ELIGIBILITY, DISTRICT HEATING.] The commissioner of finance, upon request recommendation of the governor authority, may make loans to municipalities for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated to the authority that:
 - (a) The municipality has the financial capability to sponsor the project;
 - (b) The project is technologically feasible;
- (c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission system; and
- (d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.
- Subd. 3a. [ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.] The commissioner of finance, upon recommendation of the authority, may make loans to a municipality for the acquisition, construction, or expansion of a qualified energy improvement. A loan shall be made only to a municipality that has demonstrated that:
- (a) The municipality has the financial capability to sponsor the qualified energy improvement;
 - (b) The improvement is technologically feasible;
 - (c) The improvement conforms to criteria specified in subdivision 8a and

any rule adopted thereto; and

- (d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the improvement after construction is completed.
- Subd. 3b. [GRANT ELIGIBILITY, DISTRICT HEATING.] The commissioner of energy, planning and economic development may provide planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of the grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$70,000 as established by rule or temporary rule.
- Subd. 3c. [GRANT ELIGIBILITY, QUALIFIED ENERGY IMPROVE-MENTS.] The commissioner of energy and economic development may provide planning grants to municipalities for planning related to the development of qualified energy improvements. The municipality must demonstrate that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include definition of the improvement, development of preliminary financing plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of a grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$100,000 as established by rule or temporary rule.
- Subd. 4. [PRIORITIES, DISTRICT HEATING.] The commissioner of energy, planning and development authority shall give higher priority to a project that does more to achieve the following goals:
- (a) The district heating conversion facility employs cogeneration techniques;
 - (b) The facility uses renewable or nonpetroleum sources of energy;
 - (c) The district heating facility will save petroleum or natural gas;
- (d) The operation of the district heating facility will not have an adverse impact on the environment;
- (e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;
- (f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and
- (g) Other goals the eommissioner of energy, planning and development authority finds desirable for district heating systems.
- Subd. 4a. [PRIORITIES, ENERGY IMPROVEMENTS.] The authority shall give higher priority to qualified energy improvements that best meet the

following goals:

- (a) Increase the proportion of a municipality's energy needs that are met by renewable or indigenous energy resources;
 - (b) Provide a cost reduction or revenue source for the municipality;
 - (c) Provide multiple benefits to residents within the municipality;
 - (d) Demonstrate technologies for solid waste treatment.
- Subd. 5. [APPLICATION.] Application for a loan to be made pursuant to subdivision subdivisions 6 or 7 shall be made by a municipality to the commissioner of energy, planning and development authority on a form prescribed by the commissioner of energy, planning and economic development by rule authority. The commissioner of energy, planning and development authority shall review each application and determine:
- (a) Whether or not the project or proposed energy improvement is eligible for a loan;
- (b) The priority of the project or qualified energy improvement when ranked with all other eligible projects or improvements for which a loan application has been submitted;
 - (c) The total estimated cost of the project or improvement;
 - (d) The amount of the loan for which the project or improvement is eligible;
 - (e) The terms upon which the loan would be made; and
- (f) The means by which the municipality proposes to finance the project or improvement, including:
 - (1) A loan authorized by state law; or
 - (2) A grant of money appropriated by state law; or
- (3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects or *improvements* within the state; or
- (4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project *or improvement*; or
 - (5) User charges, franchise fees, special assessments or taxes; or
 - (6) Any or all of the means referred to in clauses (1) to (5).
- Subd. 6. [LOANS, DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENTS.] Upon the recommendation of the governor authority pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:
- (a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, and other municipalities, the amount of the loan shall not exceed 90 percent of the design costs;

- (b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project or improvement is economically and technologically feasible; that the district heating system or qualified energy improvement will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project or improvement. For cities of the first class and counties containing a city of the first class, individually or through the exercise of joint powers agreements, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, and other municipalities, the amount of the loan shall be up to 90 percent of the construction costs.
- (c) A loan made pursuant to this section is repayable over a period of not more than 20 years; with interest payments beginning the first year from the date the loan is made. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment, but the first payment of interest shall not be due until one year after the loan was made. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan. Interest attributable to the first year of deferred payment shall be amortized in equal periodic payments over the remainder of the term of the loan. For each loan, the initial deposit to the state bond fund required by section 16A.65, subdivision 1, shall be made by the commissioner of finance, and no loan may be refused solely because the municipality does not provide the initial deposit.
- (d) The authority may also pledge a segregated portion of the energy development fund to guarantee or insure bonds and notes, or the interest rate thereon, issued by the commissioner of finance on behalf of the state of Minnesota for purposes of section 116J.36 or 116J.37.
- Subd. 7. [MODERN STEAM SYSTEMS.] (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

- (1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and
- (2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as deter-

mined by the municipality and develop a hot water system on a specific time schedule.

- (b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.
- (c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before May 30, 1981. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system, or the expansion or modification of the existing modern steam district heating system.
- Subd. 8. [LOAN APPROVAL.] The commissioner of energy, planning and economic development shall prepare and submit to the legislative advisory eommission a list of energy and economic development authority separate lists of loan requests for district heating loan requests systems and qualified energy improvements. The list for district heating loans shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The list for qualified energy improvements shall contain the supporting information required by subdivisions 3a, 3c, 4a, 5, and 6. The recommendation of the legislative advisory commission authority shall be transmitted to the governor comissioner of finance. The governor commissioner of finance shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. Loans may be disbursed only upon approval by the governor sell bonds and make loans for district heating projects and qualified energy improvements only upon the recommendation of the authority.
- Subd. 8a. [CRITERIA FOR QUALIFIED ENERGY IMPROVEMENTS.] Qualified energy improvements eligible for loans shall meet criteria established in rule by the commissioner of energy and economic development. Rules shall include criteria for analyzing the cost-effectiveness of improvements. Rules relating to qualified energy improvements involving a waste-to-energy facility shall be adopted in consultation with the waste management board and the pollution control agency. An improvement involving a waste-to-energy facility must be part of a solid waste management plan approved by the pollution control agency or a plan approved pursuant to section 473.803.
- Subd. 9. [PAYMENT; OBLIGATION.] The commissioner of finance shall not pay money to a municipality pursuant to an approved loan until he has determined that:
- (a) Financing of the project or improvement as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project or improvement, and to pay any additional amount by which the cost of the project or improvement exceeds the estimate by the appropriation to the construction account of additional municipal money of the municipality or the proceeds of additional bonds to be issued by the municipality; and that
 - (b) The governing body of the municipality has adopted a resolution obli-

gating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system or qualified energy improvement service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project or improvement in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner of finance shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

- Subd. 10. [RECEIPTS.] All principal and interest payments received by the commissioner of finance in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purposes of that account.
- Subd. 11. [RULES.] The commissioner of energy, planning and economic development shall adopt rules necessary to carry out the programs of this section. The commissioner of energy, planning and economic development shall may adopt temporary rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section. The rules shall contain as a minimum:
 - (a) Procedures for application by municipalities; and
 - (b) Criteria for reviewing grant and loan applications.
 - Sec. 6. [116J.381] [COMMUNITY ENERGY PROGRAM.]

Subdivision 1. [FINDINGS.] Community based energy programs are found to be a public purpose for which public money may be spent.

- Subd. 2. [COMMUNITY ENERGY COUNCILS; CREATION.] Cities or counties, individually or through the exercise of joint powers agreements, may create community energy councils. Membership on a council may include representatives of labor, small business, voluntary organizations, senior citizens, low and moderate income residents, city and county officials, and other interested parties.
- Subd. 3. [POWERS AND DUTIES.] In order to develop and implement community based energy programs, a community energy council may:
 - (1) analyze social and economic impacts caused by energy expenditures;
- (2) plan, coordinate, advertise, and provide energy programs to minimize negative social and economic impacts;
 - (3) seek, accept, and disburse grants and other aids from public or private

sources for purposes authorized in this subdivision; and

- (4) exercise other powers and duties imposed on it by statute, charter, or by ordinance.
- Subd. 4. [DEPARTMENT ASSISTANCE.] The commissioner may provide professional and financial assistance to communities to establish community energy councils, and develop and implement community energy programs, within available resources.
- Sec. 7. [268.371] [OPTIMAL LOW-INCOME WEATHERIZATION PROGRAM.]

Subdivision 1. [GRANTS; ELIGIBILITY.] The commissioner shall make grants under this section to community action agencies for the purpose of weatherizing the residences of low-income persons. The grants must be used to perform intensive conservation retrofits that raise the energy efficiency of residences to near optimal superinsulation standards. In order to be eligible for a grant under this section, the following criteria must be met:

- (1) total household income may not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines; and
- (2) the household may not have received previous financial assistance under section 268.37.
- Subd. 2. [REVIEW BY COMMISSIONER OF ENERGY AND ECO-NOMIC DEVELOPMENT.] The commissioner shall submit grant applications to the commissioner of energy and economic development for review. The commissioner may not make a grant under this section unless the commissioner of energy and economic development approves the grant in writing as to its technical merit.
- Subd. 3. [TECHNICAL ASSISTANCE.] The alternative energy technical activity created in section 3 shall provide technical assistance for grant recipients under subdivision 1.

Sec. 8. [ENERGY AUDITS REPORT.]

By January 1, 1986, the legislative commission on energy shall report to the legislature on the state programs of energy audits of residential and commercial buildings under section 116J.31. The report must include:

- (1) summary of the audits performed and conservation measures installed;
- (2) summary of delivery systems and marketing of programs, including any recommendations for alternative delivery systems and marketing strategies;
 - (3) consumer comments about the operation of the program; and
 - (4) other information relevant to the operation of the program.
- Sec. 9. [ENERGY AND ECONOMIC DEVELOPMENT; APPROPRIATIONS.]

The sum of \$...... is appropriated from the general fund to the commissioner of energy and economic development for the purposes specified in this section, to be available for the fiscal year ending June 30, 1985.

Of this amount, \$50,000 must be used to hire a manager of the alternative energy technical activity. The manager must have technical expertise and professional experience in the field of engineering. The commissioner of employee relations shall assign the position to a classification that will use all but not more than \$50,000 for salary and benefits. The complement of the department is increased by ... positions.

(b) Community Energy Council Program

253,000

Of this amount, \$180,000 must be used for grants to communities. The complement of the department is increased by one position in the unclassified service.

(c) Shared Energy Savings Program

53,000

The complement of the department is increased by one position.

(d) Temporary Rulemaking for District Heating and Qualified Energy Improvements

5.000

(e) Rulemaking for Quality and Product Safety Specifications for the Manufacture of Insulation

55.000

(f) Study and Adoption of Standards for Fiber Fuels

50,000

(g) Enforcement of Energy Conservation Standards for Rental Property

.....

The complement of the department is increased by positions.

.....

(h) Optimal Low-Income Weatherization

Sec. 10. [FINANCE; APPROPRIATION.]

The sum of \$279,000 is appropriated from the general fund to the commissioner of finance for the district heating and qualified energy improvement debt service under section 5, to be available for the fiscal year ending June 30, 1985.

Sec. 11. [ECONOMIC SECURITY; APPROPRIATION.]

The sum of \$...... is appropriated from the general fund to the commissioner of economic security for extending or expanding the low income residential weatherization program under section 268.37, to be available for the fiscal year ending June 30, 1985."

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 16.02, by adding a subdivision; and" and after "13;" insert "116J.36, as amended;"

Page 1, line 6, delete "116J.09;"

Page 1, line 7, delete everything before "116J.31"

Page 1, line 8, delete "chapter" and insert "chapters" and before the period, insert "; and 268"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 991: A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring rules by the commissioner of natural resources; providing for local ordinances; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle account in the state treasury; appropriating funds; amending Minnesota Statutes 1982, section 84.90, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 84.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 84.87, is amended to read:

84.87 [OPERATION; REGULATIONS BY MUNICIPALITIES.]

Subdivision 1. [OPERATION ON STREETS AND HIGHWAYS.] (a) No person shall operate a snowmobile or three-wheel off-road vehicle upon the roadway, shoulder, or inside bank or slope of any trunk, county state aid, or county highway in this state and, in the case of a divided trunk or county highway, on the right of way between the opposing lanes of traffic, except as provided in sections 84.81 to 84.90. No person shall operate a snowmobile or three-wheel off-road vehicle within the right of way of any trunk, county state aid, or county highway between the hours of one-half hour after sunset to one-half hour before sunrise, except on the right hand side of such right of way and in the same direction as the highway traffic on the nearest lane of the roadway adjacent thereto. No snowmobile or three-wheel off-road vehicle shall be operated at any time within the right of way of any interstate highway or freeway within this state.

- (b) A snowmobile or three-wheel off-road vehicle may make a direct crossing of a street or highway at any hour of the day provided:
- (1) The crossing is made at an angle of approximately 90 degrees to the direction of the highway and at a place where no obstruction prevents a quick and safe crossing; and
- (2) The snowmobile or three-wheel off-road vehicle is brought to a complete stop before crossing the shoulder or main traveled way of the highway; and
- (3) The driver yields the right of way to all oncoming traffic which constitutes an immediate hazard; and
- (4) In crossing a divided highway, the crossing is made only at an intersection of such highway with another public street or highway; and
- (5) If the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on; and

- (6) A snowmobile or three-wheel off-road vehicle may be operated upon a bridge, other than a bridge that is part of the main traveled lanes of an interstate highway, when required for the purpose of avoiding obstructions to travel when no other method of avoidance is possible; provided the snowmobile or three-wheel off-road vehicle is operated in the extreme right hand lane, the entrance to the roadway is made within 100 feet of the bridge and the crossing is made without undue delay.
- (c) No snowmobile or three-wheel off-road vehicle shall be operated upon a public street or highway unless it is equipped with at least one headlamp, one tail lamp, each of minimum candlepower as prescribed by regulations of the commissioner, reflector material of a minimum area of 16 square inches mounted on each side forward of the handle bars, and with brakes each of which shall conform to standards prescribed by rule of the commissioner pursuant to the authority vested in him by section 84.86, and each of which shall be subject to approval of the commissioner of public safety.
- (d) A snowmobile or three-wheel off-road vehicle may be operated upon a public street or highway other than as provided by clause (b) in an emergency during the period of time when and at locations where snow upon the roadway renders travel by automobile impractical.
- (e) All provisions of chapter 169 shall apply to the operation of snowmobiles or three-wheel off-road vehicles upon streets and highways, except for those relating to required equipment, and except those which by their nature have no application.
- (f) Any sled, trailer, or other device being towed by a snowmobile or three-wheel off-road vehicle must be equipped with reflective materials as required by rule and regulation of the commissioner.
- Subd. 1a. [ORGANIZED CONTESTS, USE OF HIGHWAYS, ETC.] Nothing in this section or chapter 169 shall prohibit the use of snowmobiles within the right of way of any state trunk or county state-aid highway or upon public lands or waters under the jurisdiction of the commissioner of natural resources, in any organized contest, subject to the consent of the official or board having jurisdiction over the highway or public lands or waters.

In permitting such contest, the official or board having jurisdiction may prescribe such restrictions or conditions as they may deem advisable.

- Subd. 2. [OPERATION GENERALLY.] It shall be unlawful for any person to drive or operate any snowmobile or three-wheel off-road vehicle in the following unsafe or harassing ways:
- (a) At a rate of speed greater than reasonable or proper under all the surrounding circumstances;
- (b) In a careless, reckless or negligent manner so as to endanger the person or property of another or to cause injury or damage thereto;
- (c) While under the influence of an alcoholic beverage or a controlled substance;
 - (d) Without a lighted head and tail light when required for safety;
 - (e) In any tree nursery or planting in a manner which damages or destroys

growing stock.

- Subd. 2a. [OPERATION PROHIBITED ON AIRPORTS.] It is unlawful for any person to drive or operate any snowmobile or three-wheel off-road vehicle on an airport defined in section 360.013, subdivision 5, or other applicable law.
- Subd. 3. [REGULATIONS BY POLITICAL SUBDIVISIONS.] Notwithstanding anything in this section to the contrary, a county board may by resolution permit the operation of snowmobiles upon the roadway, shoulder, or inside bank or slope of any county highway or county state aid highway if safe operation in the ditch or outside bank or slope thereof is impossible, in which case the county board shall cause appropriate notice thereof to be given.

Any county, city, or any town acting by its town board, may regulate the operation of snowmobiles or three-wheel off-road vehicles on public lands, waters, and property under their jurisdiction and on streets and highways within their boundaries by resolution or ordinance of the governing body and by giving appropriate notice, provided such regulations are not inconsistent with the provisions of sections 84.81 to 84.88 inclusive and rules and regulations, promulgated thereunder. However, no such governmental unit may adopt an ordinance which (1) imposes a fee for the use of public land or water under the jurisdiction of either the commissioner of natural resources or any other agency of the state, or for the use of any access thereto owned by the state, or a county or city; or (2) require a snowmobile or three-wheel off-road operator to possess a motor vehicle driver's license while operating a snowmobile or three-wheel off-road vehicle.

Sec. 2. [84.92] [DEFINITIONS.]

Subdivision 1. The definitions in this section apply to sections 2 to 9.

- Subd. 2. "Commissioner" means the commissioner of natural resources.
- Subd. 3. "Dealer" means a person engaged in the business of selling three-wheel off-road vehicles at wholesale or retail.
- Subd. 4. "Manufacturer" means a person engaged in the business of manufacturing three-wheel off-road vehicles.
- Subd. 5. "Owner" means a person, other than a person with a security interest, having a property interest in or title to a three-wheel off-road vehicle and entitled to the use and possession of the vehicle.
- Subd. 6. "Person" means an individual or an organization as defined in section 336.1-201, paragraph (30).
- Subd. 7. "Register" means the act of assigning a registration number to a three-wheel off-road vehicle.
- Subd. 8. "Three-wheel off-road vehicle" or "vehicle" means a motorized flotation-tired vehicle of not less than three low pressure tires, but not more than six tires, that is limited in engine displacement of less than 800 cubic centimeters and total dry weight less than 600 pounds.

Sec. 3. [84.922] [REGISTRATION.]

Subdivision 1. [GENERAL REQUIREMENTS.] Unless exempted in sub-

- division 8, after January 1, 1985, a person may not operate a three-wheel off-road vehicle within the state unless the vehicle has been registered. After January 1, 1985, a person may not sell a vehicle without furnishing the buyer a bill of sale on a form prescribed by the commissioner.
- Subd. 2. [APPLICATION, ISSUANCE, REPORTS.] Application for registration or continued registration shall be made to the commissioner of natural resources, the commissioner of public safety or an authorized deputy registrar of motor vehicles on a form prescribed by the commissioner. The form must state the name and address of every owner of the vehicle and be signed by at least one owner. Upon receipt of the application and the appropriate fee the commissioner shall register the vehicle and assign a registration number that must be affixed to the vehicle in a manner prescribed by the commissioner. The commissioner shall use the snowmobile registration system to register vehicles under this section. Each deputy registrar of motor vehicles acting under section 168.33, is also a deputy registrar of vehicles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements. A fee of 50 cents in addition to other fees prescribed by law shall be charged for each vehicle registered by a deputy registrar, and shall be deposited in the treasury of the jurisdiction where the deputy is appointed, or retained if the deputy is not a public official.
- Subd. 3. [REGISTRATION CARD.] The commissioner shall provide to the registrant a registration card that includes the registration number, the date of registration, the make and serial number of the vehicle, the owner's name and address, and additional information the commissioner may require. Information concerning each registration shall be retained by the commissioner. Upon a satisfactory showing that the registration card has been lost or destroyed the commissioner shall issue a replacement registration card upon payment of a fee of \$4. The fees collected from replacement registration cards shall be deposited in the three-wheel off-road vehicle account.
- Subd. 4. [REPORT OF TRANSFERS.] A person who sells or transfers ownership of a vehicle registered under this section shall report the sale or transfer to the commissioner within 15 days of the date of transfer. An application for transfer must be executed by the registered owner and the purchaser on a form prescribed by the commissioner with the owner's registration certificate, a bill of sale and a \$4 fee.
- Subd. 5. [FEES FOR REGISTRATION.] The fee for registration of each vehicle under this section shall be \$15 for three calendar years. The commissioner or commissioner of public safety shall charge an additional \$3 per registration granted. The fees collected under this subdivision shall be credited to the three-wheel off-road vehicle account.
- Subd. 6. [RENEWAL.] Every owner of a three-wheel vehicle must renew registration in a manner prescribed by the commissioner upon payment of the registration fees in subdivision 5.
- Subd. 7. [VEHICLES OWNED BY STATE OR POLITICAL SUBDIVI-SION.] A registration number must be issued without the payment of a fee

for three-wheel vehicles owned by the state or a political subdivision upon application.

- Subd. 8. [EXEMPTIONS.] A registration is not required for the following:
- (1) vehicles being used for work on agricultural lands;
- (2) vehicles owned and used by the United States, another state, or a political subdivision;
- (3) vehicles covered by a valid license of another state or county that have not been within this state for more than 30 consecutive days;
 - (4) vehicles used exclusively in organized track racing events; and
- (5) vehicles being used on private land with the permission of the landowner.
- Sec. 4. [84.923] [REQUIREMENTS OF MAKERS OF THREE-WHEEL OFF-ROAD VEHICLES.]
- Subdivision 1. [IDENTIFICATION NUMBER.] All vehicles made after January 1, 1985, and sold in the state, must have manufacturer's permanent identification number stamped in letters and numbers on the vehicle in the form and at a location prescribed by the commissioner.
- Subd. 2. [REGISTRATION NUMBER.] All vehicles made after January 1, 1985 and sold in the state, must be designed and made to provide an area to affix the registration number. This area shall be at a location and of dimensions prescribed by the commissioner.

Sec. 5. [84.925] [EDUCATION AND TRAINING PROGRAM.]

- Subdivision 1. [PROGRAM ESTABLISHED.] The commissioner shall establish a comprehensive three-wheel off-road vehicle environmental and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of three-wheel off-road vehicle operators, and the issuance of three-wheel off-road vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the three-wheel off-road vehicle environmental and safety education and training course. For the purpose of administering the program and to defray a portion of the expenses of training and certifying vehicle operators, the commissioner shall collect a fee of not to exceed \$5 from each person who receives the training and shall deposit the fee in the three-wheel off-road vehicle account. The amount in the threewheel off-road vehicle account is appropriated annually to the commissioner of natural resources for the administration of the program. The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this section. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of vehicle operators.
- Subd. 2. [YOUTHFUL OPERATORS.] (a) A person under the age of 14 years may not operate a three-wheel off-road vehicle on any public land or water under the jurisdiction of the commissioner unless accompanied by an adult on the vehicle or on an accompanying three-wheel off-road vehicle or on a device towed by the same or an accompanying three-wheel off-road

vehicle. However, a person 12 years of age or older may operate a threewheel off-road vehicle on public lands and waters under the jurisdiction of the commissioner if he has in his immediate possession a valid three-wheel off-road vehicle safety certificate issued by the commissioner.

(b) It is unlawful for the owner of a three-wheel off-road vehicle to allow the vehicle to be operated contrary to the provisions of this section.

Sec. 6. [84.926] [VEHICLE USE ALLOWED ON PUBLIC LANDS BY THE COMMISSIONER.]

On a case by case basis, the commissioner may allow vehicles on public trails under his jurisdiction during specified times.

Sec. 7. [84.928] [DISPOSITION OF RECEIPTS.]

Subdivision 1. [REGISTRATION REVENUE.] Fees from the registration of three-wheel off-road vehicles and the unrefunded gasoline tax attributable to vehicle use under section 296.16 shall be deposited in the state treasury and credited to the three-wheel off-road vehicle account.

- Subd. 2. [DETERMINATION OF TAX ALLOCATION.] The commissioner with the commissioners of revenue and transportation, shall jointly determine the amount of unrefunded gasoline tax attributable to vehicle use in this state and shall report to the legislature by January 1, 1985, with a proposed revision of section 296.16 to reflect the results of this use.
- Subd. 3. [PURPOSES.] (a) The money deposited from the registration fees may be spent only as appropriated by law for the following purposes:
- (1) for the vehicle information and safety education and training program under section 5;
 - (2) for administration of this act; and
 - (3) for acquisition and development of use areas.
- (b) By January 1, 1986, the commissioner shall report to the standing committees of each house of the legislature with jurisdiction over natural resources and appropriation matters on the number of vehicles registered under section 3, the implementation of the vehicle information and safety education and training program, and the growth patterns of vehicle use in the state.

Sec. 8. [PENALTIES.]

Any person who violates any provision of sections 3 to 5 is guilty of a petty misdemeanor.

Sec. 9. [EFFECTIVE DATE.]

This act shall take effect the day following final enactment."

Delete the title and insert:

"A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle safety account in the state treasury; appropriating funds; amending Minnesota Statutes 1982, section 84.87; proposing new law coded

in Minnesota Statutes, chapter 84."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- H.F. No. 1107: A bill for an act relating to the Minnesota veterans home; clarifying the treatment of assets for purposes of calculating maintenance charges; amending Minnesota Statutes 1982, section 198.03.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred
- H.F. No. 1621: A bill for an act relating to veterans; allowing certain veterans organizations to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 197.58, is amended to read:

197.58 [STATE TO PROVIDE SPACE FOR VETERAN ORGANIZATIONS.]

The commissioner of administration shall set apart space in the state veterans service building, for the use of each of the following veteran organizations: the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Military Order of the Purple Heart, United Spanish War Veterans, and Veterans of World War I a veterans organization that has been granted a charter by the Congress of the United States, and their auxiliaries, incorporated, or when incorporated, under the laws of the state. Such space shall be under the charge of the Minnesota state commander of the department of Minnesota of the veteran organization assigned thereto, and such person as he may in writing designate, and shall be used for the purpose of keeping therein records, archives, trophies, supplies, and other veteran property of the organization and as its general headquarters office for the department of Minnesota."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1572: A bill for an act relating to probate; providing for antemortem probate of wills; proposing new law coded in Minnesota Statutes, chapter 525.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1668: A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, delete ", may be applied to displaced" and insert a period

Page 2, delete lines 1 to 3

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1532: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, sections 94.343, subdivision 1; and 94.349, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 26, delete "any"

Page 2, line 1, delete "of the public lands of" and delete "be exchanged for any other" and insert "exchange public lands with local units of government and the federal government?"

Page 2, delete line 2

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2040: A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1982, section 125.12, subdivision 4, is amended to read:

Subd. 4. [TERMINATION OF CONTRACT AFTER PROBATIONARY PERIOD.] A teacher who has completed his probationary period in any school district, and who has not been discharged or advised of a refusal to renew his contract pursuant to subdivision 3, shall have a continuing contract with such district. Thereafter, the teacher's contract shall remain in full force and effect, except as modified by mutual consent of the board and the teacher, until terminated by a majority roll call vote of the full membership of

the board prior to April 1 upon one of the grounds specified in subdivision 6 or prior to June 1 upon one of the grounds specified in subdivisions 6a or 6b, or until the teacher is discharged pursuant to subdivision 8, or by the written resignation of the teacher submitted prior to April 1; provided, however, that if an agreement as to the terms and conditions of employment for the succeeding school year has not been adopted pursuant to the provisions of sections 179.61 to 179.76 prior to March 1, the teacher's right of resignation shall be extended to the 30th calendar day following the adoption of said contract in compliance with section 179.70, subdivision 2. Such written resignation by the teacher shall be effective as of June 30 if submitted prior to that date and the teachers' right of resignation for the school year then beginning shall cease on July 15. Before a teacher's contract is terminated by the board, the board shall notify the teacher in writing and state its ground for the proposed termination in reasonable detail together with a statement that the teacher may make a written request for a hearing before the board within 14 days after receipt of such notification. Within 14 days after receipt of this notification the teacher may make a written request for a hearing before the board and it shall be granted upon reasonable notice to the teacher of the date set for hearing, before final action is taken. If no hearing is requested within such period, it shall be deemed acquiescence by the teacher to the board's action. Such termination shall take effect at the close of the school year in which the contract is terminated in the manner aforesaid. Such contract may be terminated at any time by mutual consent of the board and the teacher and this section shall not affect the powers of a board to suspend, discharge, or demote a teacher under and pursuant to other provisions of law."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "125.12, subdivision 4;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1561: A bill for an act relating to crimes; providing for forfeitures of conveyances, containers, weapons used, and contraband property when utilized in the commission of designated offenses; proposing new law coded in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [609.531] [FORFEITURES.]

Subdivision 1. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation in connection with a designated offense and includes, but is not limited to, motor vehicles, trailers, snowmobiles, airplanes, and vessels. The term "conveyance device" does not include property which is, in fact, itself stolen or taken

in violation of the law.

- (b) "Primary container" means a fundamental receptacle other than a conveyance device used to store or transport property.
- (c) "Weapon used" means weapons used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.
- (d) "Property" means property as defined in section 609.52, subdivision 1, clause (1).
- (e) "Contraband property" means property which is illegal to possess under Minnesota law.
- (f) "Appropriate agency" means either the bureau of criminal apprehension, Minnesota state patrol, county sheriffs and their deputies, or city police departments.
 - (g) "Designated offense" includes:
 - (1) For weapons used: any violation of chapter 609;
- (2) For all other purposes: violation of, or an attempt or conspiracy to violate, sections 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.255; 609.255; 609.322, subdivision 1 or 2; 609.342; 609.343; 609.344; 609.345; 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.521; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.687; 609.825; 609.86; 609.88; 609.89; or 617.246, when the violation constitutes a felony.
- Subd. 2. [FORFEITURES OF CONVEYANCE DEVICES; PRIMARY CONTAINERS; WEAPONS USED, AND CONTRABAND PROPERTY.] Conveyance devices, primary containers, and weapons associated with the commission or utilized in the commission of a designated offense, and all contraband property shall be subject to forfeiture with the following limitations:
- (a) No conveyance device or primary container used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless the owner or other person in charge of the conveyance or container is a consenting party or privy to commission of a designated offense.
- (b) No conveyance device, primary container, or weapon used is subject to forfeiture under this section unless the owner of it is privy to a violation of a designated offense or unless the use of the conveyance device, primary container, or weapon in a violation occurred with his knowledge or consent.
- (c) A forfeiture of a conveyance device, primary container, or weapon used encumbered by a bona fide security interest is subject to the interest of the secured party unless he had knowledge of or consented to the act or omission upon which the forfeiture is based.
- Subd. 3. [SEIZURE WITH PROCESS.] Any conveyance device, primary container, weapon used, or contraband property subject to forfeiture under this section may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property.
 - Subd. 4. [SEIZURE WITHOUT PROCESS.] Seizure without process of a

weapon used or of contraband property may be made if:

- (a) the seizure is incident to an arrest or a search under a search warrant;
- (b) the weapon subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding;
 - (c) the appropriate agency has probable cause to believe:
- (1) that the weapon was used or is intended to be used in commission of a designated offense; and
- (2) that the delay occasioned by the necessity to obtain process would result in the removal, destruction, illegal use, or intended illegal use of the weapon; or
 - (d) the property is contraband property.
- Subd. 5. [NOT SUBJECT TO REPLEVIN.] Any conveyance device, primary container, weapon used, or contraband property taken or detained under this section shall not be subject to replevin, but is deemed to be in the custody of the appropriate agency subject only to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When any conveyance device, primary container, weapon used, or contraband property is seized under this section, the appropriate agency may:
- (a) place the conveyance device, primary container, weapon used, or contraband property under seal; or
- (b) remove the conveyance device, primary container, weapon used, or contraband property to a place designated by it.
- Subd. 6. [FORFEITURE PROCEDURES.] Any conveyance device, primary container, weapon used, or contraband property shall be forfeited according to the following procedure:
- (a) a separate complaint shall be filed against the conveyance device, primary container, weapon used, or contraband property describing it, and either specifying that it is contraband property, or charging its use in the specified violation, and specifying the time and place of its unlawful use;
- (b) if the person charged with a designated offense is not convicted of an offense, the court shall dismiss the complaint against the conveyance device, primary container, or weapon used pursuant to subdivisions 2 to 5 and order the property returned to the persons legally entitled to it;
- (c) if after conviction of a felony offense the court finds that the conveyance device, primary container or weapon was used in commission of a designated offense, it may order that the conveyance device, primary container or weapon be sold, used, converted, or disposed of by the appropriate agency in the following manner:
- (1) if the lawful ownership of the conveyance device, primary container, or weapon used can be determined and it is found the owner was not privy to violation of a designated offense, the conveyance device, primary container, or weapon used will be returned forthwith; or
- (2) if the lawful ownership of the conveyance device, primary container, or weapon used cannot be determined or if the lawful owner can be determined

and it is found the owner was privy to violation of a designated offense, the appropriate agency or prosecuting agency handling the forfeiture may:

- (i) retain the conveyance device, primary container, weapon used, or contraband property for official use; or
- (ii) the conveyance device, primary container, or weapon used may be sold in accordance with law. One-third of the proceeds from the sale, after payment of seizure, storage, sale expenses, and satisfaction of valid liens against the property, shall be forwarded to the prosecuting agency that handled the forfeiture proceedings for deposit in its operating fund, or similar fund; one-third of the proceeds shall be forwarded to the commissioner of public safety for disbursement pursuant to section 299C.065, and one-third of the proceeds shall be retained by the appropriate agency and deposited in its operating fund;
- (d) if the property is deemed to be contraband, the property shall be destroyed or used by the appropriate agency for law enforcement purposes.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1984, and applies to crimes committed on or after that date."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon.
- S.F. No. 1417: A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health: specifying the examination powers of the commissioner; granting the commissioner authority to adopt rules regarding unreasonable expenses; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.081; 62A.14; 62A.147; 62A.149; 62D.02, subdivisions 5, 6, and 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3; 62D.08, subdivisions 1, 3, and by adding subdivisions: 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, 11, and by adding a subdivision; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.20; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.152; 62A.17.

subdivisions 1 and 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

Reports the same back with the recommendation that the report from the Committee on Health and Human Services, shown in the Journal for April 5, 1984, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass." Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon.
- S.F. No. 1683: A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the report from the Committee on Energy and Housing, shown in the Journal for April 5, 1984, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass." Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,
- S.F. No. 1978: A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; proposing new law coded in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1982, sections 473.611, subdivision 5; and 473.621, subdivision 6.

Reports the same back with the recommendation that the report from the Committee on Local and Urban Government, shown in the Journal for April 5, 1984, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass." Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,
- S.F. No. 2017: A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

Reports the same back with the recommendation that the report from the Committee on Local and Urban Government, shown in the Journal for April

5, 1984, be amended to read:

"the bill be amended and when so amended the bill do pass and be rereferred to the Committee on Governmental Operations." Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1338 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1338 1809

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1338 be amended as follows:

Page 4, line 21, delete "TASK FORCE" and insert "COMMITTEE"

Page 4, line 22, delete "task force" and insert "committee"

Page 4, delete lines 24 and 25

Page 4, delete lines 33 to 36

Page 5, line 1, delete everything before "No"

Page 7, line 19, after the period insert "The total cost of printing and providing these forms shall be prorated by each county auditor so that the state and county will pay a proportionate share based on the total number of candidates and questions under the jurisdiction of each, other provisions of the law to the contrary notwithstanding."

Page 14, line 25, delete "30" and insert "21"

- Page 22, delete lines 19 to 29 and insert "machines must be kept locked against use for at least 30 days after an election or as much longer as may be necessary or advisable because of any existing or threatened election contest, with the following exceptions:
- (a) A judge of a court having jurisdiction may order a voting machine opened and all data and figures in it examined at any time.
- (b) Voting machines used at an election may be opened ten days after the election for another election which is to be held within 50 days after the day of the first election.
- (c) A voting machine used at a primary or general election in a statutory city may be opened ten days following a primary and 20 days following a general election if the opening is necessary in order to prepare the voting machine for a statutory city election which is to be held within 30 days after the day of the primary or general election."

Page 32, line 32, delete "206.19, subdivisions 2 and 3;"

Page 32, line 33, delete the second "and" and before "Minnesota" insert "and"

Page 32, line 35, delete ", subdivision 1"

Page 33, delete lines 1 and 2

Amend the title as follows:

Page 1, line 4, delete "and"

Page 1, line 8, delete "to" and insert "206.02; 206.025; 206.026; 206.03; 206.04; 206.05; 206.06; 206.07; 206.075; 206.08, subdivisions 1, 2, and 4; 206.095; 206.10; 206.12; 206.13; 206.14; 206.15; 206.16; 206.17; 206.18; 206.185; 206.195; 206.20; 206.21, subdivisions 1, 2, 4, and 5; 206.211; and"

Page 1, line 10, delete ", subdivision 1"

And when so amended H.F. No. 1338 will be identical to S.F. No. 1809, and further recommends that H.F. No. 1338 be given its second reading and substituted for S.F. No. 1809, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1912 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1912
1729
CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No.

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 2141 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS
H.F. No. S.F. No.
2141 1805 CONSENT CALENDAR
H.F. No. S.F. No.
H.F. No. S.F. No.
H.F. No. S.F. No.

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration.

Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1998 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1998 1872

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1503 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F.No. 1503 1438

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1503 be amended as follows:

Page 3, delete lines 6 and 7

And when so amended H.F. No. 1503 will be identical to S.F. No. 1438, and further recommends that H.F. No. 1503 be given its second reading and substituted for S.F. No. 1438, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1813 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F.No. 1813 1793

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1813 be amended as follows:

Page 2, delete lines 4 and 5

And when so amended H.F. No. 1813 will be identical to S.F. No. 1793, and further recommends that H.F. No. 1813 be given its second reading and substituted for S.F. No. 1793, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1528 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1528 1516

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1528 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1528 and insert the language after the enacting clause of S.F. No. 1516, as amended by the Committee on Taxes and Tax Laws, adopted by the Senate March 15, 1984; further, delete the title of H.F. No. 1528 and insert the title of S.F. No. 1516, as amended.

And when so amended H.F. No. 1528 will be identical to S.F. No. 1516, and further recommends that H.F. No. 1528 be given its second reading and substituted for S.F. No. 1516, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1670 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F.No. 1670 1733

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1670 be amended as follows:

Page 2, delete lines 20 to 28 and insert:

"Subd. 1a. State and other public employees and their spouses and other people who work in buildings owned or leased by the state shall also be eligi-

ble for the employee transportation program established through this section; provided, however, that the driver and substitute driver of every van pool are state employees; and provided, further, that state employees constitute a majority of the members of every van pool. Available space in van pools must, whenever possible, be filled by state employees."

Page 2, after line 36, insert:

"Sec. 4. [REPEALER.]

Minnesota Statutes 1982, section 16.756, subdivision 5, is repealed."

Amend the title as follows:

Page 1, line 5, after "2" insert "; and repealing Minnesota Statutes 1982, section 16.756, subdivision 5"

And when so amended H.F. No. 1670 will be identical to S.F. No. 1733, and further recommends that H.F. No. 1670 be given its second reading and substituted for S.F. No. 1733, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1975 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1975 1912

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1975 be amended as follows:

Page 2, after line 26, insert:

"Sec. 2. Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4, is amended to read:

Subd. 4. [PURPOSES.] Money apportioned to a county from the town road account must be distributed to the treasurer of each town within the county, according to a distribution formula adopted by the county board. The formula must take into account each town's levy for road and bridge purposes, its population and town road mileage, and other factors as the county board deems advisable in the interests of achieving equity among the towns. Distribution of town road funds to the treasurer of the towns must be made within 30 days of the receipt of the funds by the county treasurer. Distribution of funds to town treasurers in a county which has not adopted a distribution formula under this subdivision must be made according to a formula prescribed by the commissioner by rule. A formula adopted by a county board or by the commissioner must provide that a town, in order to be eligible for

distribution of funds from the town road account in a calendar year, must have levied in the previous year for road and bridge purposes at least two mills on the dollar of the assessed value of the town.

Money distributed to a town under this subdivision may be expended by the town only for the construction and, reconstruction, and maintenance of town roads within the town."

Page 2, line 27, delete "2." and insert "3."

Pages 2 and 3, delete section 3 and insert:

"Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment. Section 3 is effective upon the regrading and surfacing of the roadway at which time it shall become a part of the county road system of Traverse County."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "allowing town road funds to be used for maintenance;"

Page 1, line 6, before the period insert "; and Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4."

And when so amended H.F. No. 1975 will be identical to S.F. No. 1912, and further recommends that H.F. No. 1975 be given its second reading and substituted for S.F. No. 1912, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1819 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1819 2002

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1819 be amended as follows:

Page 1, line 19, delete "immediately upon" and insert "within 30 days of"

And when so amended H.F. No. 1819 will be identical to S.F. No. 2002, and further recommends that H.F. No. 1819 be given its second reading and substituted for S.F. No. 2002, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1509 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR CALENDAR H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1509 1968

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1509 be amended as follows:

Page 2, after line 28, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

And when so amended H.F. No. 1509 will be identical to S.F. No. 1968, and further recommends that H.F. No. 1509 be given its second reading and substituted for S.F. No. 1968, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1915 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1915 1877

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1915 be amended as follows:

Page 1, line 13, after "any" insert "statutory or home rule charter" and after "city" strike the comma

Page 1, line 13, strike "other municipal corporation or"

Page 1, line 14, strike "governmental subdivision of the state," and insert "town"

Page 1, line 15, strike "such municipality" and insert "the city or town"

Page 1, line 16, strike everything after "merchant"

Page 1, line 17, strike everything before "the" and insert a period

Page 1, line 19, strike "thereto"

Page 1, lines 19 to 21, delete the new language and insert "to any regulation by the city or town except that if the city or town enacts a licensing

requirement a transient merchant shall not be required to obtain a license under section 329.11"

And when so amended H.F. No. 1915 will be identical to S.F. No. 1877, and further recommends that H.F. No. 1915 be given its second reading and substituted for S.F. No. 1877, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1371 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS
H.F. No. S.F. No. S.F. No. S.F. No. S.F. No. 1371 1325 CALENDAR
H.F. No. S.F. No. S.F. No. S.F. No. S.F. No. 1371

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1936 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1936 1796

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1985 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1985 1866

CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1985

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Chmielewski from the Committee on Employment, to which was referred the following appointment as reported in the Journal for March 8, 1984:

WORKERS' COMPENSATION COURT OF APPEALS

Mahlon F. Hanson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 8, 1984:

STATE BOARD OF EDUCATION

John B. Buckanaga Jewell Lewis

DEPARTMENT OF EDUCATION COMMISSIONER

Ruth Randall

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed

Mr. Schmitz from the Committee on Local and Urban Government, to which were referred the following appointments as reported in the Journal for March 28, 1984:

METROPOLITAN COUNCIL

Marcia Bennett
Joan M. Campbell
Philip C. Carruthers
Carol Flynn
Raymond J. Joachim
Michael William McLaughlin
Patrick J. Scully
Gertrude Ulrich

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Schmitz from the Committee on Local and Urban Government, to which were referred the following appointments as reported in the Journal for March 8, 1984:

METROPOLITAN COUNCIL

Liz (Mary E.) Anderson
Dirk DeVries
Mary M. Hauser
Josephine D. Nunn
Carol Wold Sindt
Charles W. Wiger
Alton J. Gasper

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Lessard from the Committee on Veterans and General Legislation, to which were referred the following appointments as reported in the Journal for March 8, 1984:

BOARD OF THE ARTS

Siah Armajani Katherine B. Murphy Carole Risselada Achterhof Karen M. Ransom Karen B. Gray Ludmilla Sahlstrom

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 432: A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [PURPOSE.]

It is the purpose of this act to prevent the degradation of lands, streams, and rivers, and to protect and promote the health, safety, and general welfare of the people.

Sec. 2. [40.19] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY, SCOPE.] The definitions in this section apply to sections 1 to 7.

- Subd. 2. [EXCESSIVE SOIL LOSS.] "Excessive soil loss" means soil loss resulting from erosion that is more rapid than the gradual erosion of land used by man when all reasonable soil and water conservation practices have been applied. "Excessive soil loss" may be evidenced by sedimentation on adjoining land or in any body of water. Soil loss is excessive if it is greater than the soil loss tolerance for each soil type described in the United States Soil Conservation Service Field Office technical guide.
- Subd. 3. [CONSERVATION PRACTICES.] "Conservation practices" means practices and standards containing a definition, purpose, and conditions under which the practice applies including design requirements, and specifications containing a statement of details required for installing a conservation practice, including kinds, quality, and quantity of work and materials needed to meet the standards.
- Subd. 4. [CONSTRUCTION ACTIVITY.] "Construction activity" means any physical disturbance of the land by man related to construction activities that may result in sedimentation of adjacent lands or waters. These activities include clearing, grading, excavating, transporting, and filling lands.
- Subd. 5. [EROSION.] "Erosion" means any process that wears away the surface of the land by the action of water, ice, wind, or gravity.
- Subd. 6. [LAND OCCUPIER.] "Land occupier" means any legal entity that holds title to, or is in possession of any lands, whether as owner, lessee, renter, tenant, or otherwise. "Land occupier" includes both the owner and the occupier of the land if they are not the same.
- Subd. 7. [SEDIMENTATION.] "Sedimentation" means the process or action of depositing a solid mineral or organic material that is or has been moved by erosion from its site of origin to another land or water.
- Subd. 8. [SOIL LOSS LIMIT.] "Soil loss limit" means the maximum amount of soil loss from erosion of a particular type of soil, expressed in tons per acre per year, that will be permitted by county regulations.
- Subd. 9. [SOIL CONSERVATION PRACTICE.] "Soil conservation practice" means a permanent or temporary vegetative or structural measure that controls erosion. A permanent practice should have an effective life greater than ten years and includes grassed waterways, terraces, field windbreaks, water control structures, grade stabilization structures, sediment retention structures, strip-cropping, and other practices approved by the state soil and water conservation board. Temporary practices include conservation tillage, contour farming, grasses and legumes in rotation, emergency tillage, and other practices approved by the state soil and water conservation board.
 - Subd. 10. [TECHNICAL GUIDE.] "Technical guide" means the guide

developed by USDA Soil Conservation Service and adopted by soil and water conservation districts containing technical information including methods and procedures to measure various types of soil loss and erosion, and conservation practice standards and specifications required in the application of soil and water conservation practices.

Sec. 3. [40.20] [COUNTY SOIL LOSS CONTROL.]

Each county, statutory or home rule charter city, or town that has planning and zoning authority under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.365, may adopt a soil loss ordinance consistent with the model ordinance in section 4. Ordinances adopted by local government units within the metropolitan area defined in section 473.121 must be consistent with local water management plans adopted under section 473.879. A local government unit that adopts a soil loss ordinance may enter an agreement with the soil and water conservation district board, that allows the soil and water conservation district board to administer local government unit functions and perform the duties of the local government unit.

Sec. 4. [40.21] [ADOPTION OF RULES BY THE STATE BOARD; PERIODIC REVIEW.]

Subdivision 1. [RULES.] The state soil and water conservation board, in consultation with counties, soil and water conservation districts, and other appropriate agencies, shall adopt rules to guide counties in erosion control. The rules must specify a model ordinance that specifies the technical and administrative procedures for a county, statutory or home rule charter city, or town to implement soil loss and erosion control. The model ordinance is the minimum regulation that may be adopted by each local government unit. The rules must describe administrative procedures required of the state soil and water conservation board for carrying out the provisions of sections 3 to 6.

Subd. 2. [PERIODIC REVIEW.] At least once every two years the state soil and water conservation board shall review the rules after consulting with counties, local government units, soil and water conservation districts, and appropriate agencies to ensure continued applicability and relevance of the rules. The rules may be revised if necessary by the state soil and water conservation board.

Sec. 5. [40.22] [EXCESSIVE SOIL LOSS PROHIBITED.]

Subdivision 1. [PROHIBITED ACTIVITIES.] A person may not cause, conduct, contract for, or authorize an activity that causes excessive soil loss.

- Subd. 2. [AGRICULTURAL LAND.] A land occupier of agricultural land is not violating subdivision 1 if the land occupier is using sound soil conservation practices and farming methods that prevent excessive soil loss.
- Subd. 3. [WOODLAND.] A land occupier who uses wooded land for pasture must ensure that proper management is used to prevent excessive soil loss due to overgrazing or cattle paths.
- Subd. 4. [EROSION CONTROL PLAN FOR CONSTRUCTION ACTIVITIES.] A person engaged in a construction activity that will disturb over one acre of land must submit to the local soil and water conservation district by 30 days before the construction activity is to begin a proposed sedimentation control plan that will prevent excessive soil loss or sedimentation on

adjoining land or in water.

Subd. 5. [EXCESSIVE SOIL LOSS; APPLICATION.] Soil loss is excessive if it is greater than the provisions of section 2, subdivision 2, or a more restrictive ordinance adopted by the local government unit. The county or local government unit shall enforce this section.

Sec. 6. [40.23] [APPLICATION FOR COST-SHARING FUNDS.]

Except in the case of a construction activity, no land occupier shall be required to establish soil and water conservation practices unless state cost-sharing funds have been specifically approved for that land and have been actually made available to the land occupier in an amount equal to at least 75 percent of the cost of the permanent soil and water conservation practices on a voluntary basis and a 50 percent cost-share if implementation commenced after the board resolution as set forth in section 7. The state soil and water conservation board shall review these requirements at least once each year, and may authorize districts in any particular case to provide a higher percentage of public cost sharing than is required by this section. To aid in this determination, the state board may consider the location of the affected area in relation to the priority areas as established in the district annual and longrange plans. Evidence that an application for state cost-sharing funds has been submitted to the soil and water conservation district shall constitute commencement of the work within the meaning of section 7.

Sec. 7. [40.24] [ENFORCEMENT.]

Subdivision 1. [COMPLAINT.] An elected local government official or district board member may submit a written complaint to the county attorney if conditions exist that indicate there is excessive soil loss from a tract of land that affects another tract of land or body of water. The written complaint must contain the name and address of the landowner, the location of the tract of land with the excessive soil loss, other land or water that is affected by the excessive soil loss, and a description of the nature of the excessive soil loss and resulting sedimentation. The county attorney may submit the complaint to the district for soil loss determination.

- Subd. 2. [DISTRICT DETERMINATION OF SOIL LOSS.] (a) Upon request by the county attorney the district shall determine the average soil loss in tons per acre per year of the tract of land cited in the complaint.
- (b) The district shall submit a report to the county attorney that states the average soil loss in tons per acre per year for each tract of land and if that soil loss exceeds the amounts allowed in section 5, subdivision 5. If the soil loss is excessive the report must include the existing management and soil conservation practices and alternative practices that will prevent excessive soil loss or reduce the soil loss to the most practicable extent. If the report shows that the soil loss from the tract of land is excessive and alternative practices are available to reduce the soil loss the county attorney shall submit the complaint and the report to the county board.
- (c) The district may enter public or private land to make an inspection for the determination of soil loss or to complete the report. The landowners must be notified of the time of the inspections and be given an opportunity to be present when the inspection is made.
 - Subd. 3. [COUNTY BOARD INSPECTION; RESOLUTION.] (a) Upon

receipt of the complaint and district report from the county attorney the county board shall make an inspection of the land cited in the complaint to determine if the land is managed properly. The county board may enter public or private land to make an inspection for the determination. The county board must notify landowners of the time of the inspection and give them an opportunity to be present when the inspection is made.

- (b) If the county board determines that the land is managed properly the complaint must be dismissed. If the county board determines that the land is not being managed properly the board shall adopt a resolution that describes alternative management practices; requires the owner within one year, or for a person engaged in construction activity within a time limit set by the county board, after receiving the resolution to commence practices or measures to reduce soil loss to the most practicable extent or prevent excessive soil loss, or, except for a person engaged in a construction activity, submit a completed application for cost-sharing funds; and require that the practices or measures must be completed, or satisfactory progress to complete the practice or measures be made, not later than one year after cost-sharing funds are available, or two years after receiving the resolution.
- (c) If the county board determines that a person engaged in a construction activity is causing excessive soil loss the board shall adopt a resolution that requires a person to commence practices to reduce soil loss within the time limit set by the county board.
- (d) The resolution must be delivered by personal service or certified mail to the landowner cited in the complaint.
- Subd. 4. [DISTRICT ASSISTANCE.] At the request of a landowner receiving a resolution under subdivision 3, the district shall assist in the planning, design, and application of practices necessary to reduce soil loss to the amounts allowed in section 5, subdivision 5, or to the greatest practicable extent. The district shall give the landowner a high priority for technical and cost-sharing assistance.
- Subd. 5. [CIVIL PENALTY.] A landowner or a person engaged in construction activity who fails to commence or complete actions, or make satisfactory progress to complete actions, required in the county board resolution or obstructs inspections is subject to a civil penalty up to \$1,000. The county attorney shall bring the action. This civil penalty is not an exclusive penalty. Other actions allowed by law may be brought to enforce this section.
- Subd. 6. [ATTORNEY AND GOVERNING BODY OF LOCAL GOVERNMENT UNITS.] The city attorney or town attorney may perform the duties of a county attorney and the governing body of any city or town may perform the duties of a county board if the city or town adopts a soil loss ordinance and the land in the complaint is located within the city or town.

Sec. 8. [40.27] [PENALTY.]

A violation of this act is a petty misdemeanor.

Sec. 9.

The provisions of sections 7 and 8 are not applicable without the adoption of an ordinance by the county or local government unit."

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1622, 1469, 1943, 2043, 2128, 1821, 1491, 1318, 1807, 1320, 1833, 1762, 2146, 1298, 2003, 1572, 1668, 2040, 1561, 1417, 1683 and 1978 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1760, 1156, 1279, 1620, 1107, 1621, 1338, 1912, 2141, 1998, 1503, 1813, 1528, 1670, 1975, 1819, 1509, 1915, 1371, 1936 and 1985 were read the second time.

MOTIONS AND RESOLUTIONS

- Mr. Freeman moved that the names of Messrs. Moe, R.D.; Sieloff and Willet be added as co-authors to S.F. No. 1843. The motion prevailed.
- Mr. Peterson, D.L. moved that the name of Ms. Olson be added as a coauthor to S.F. No. 1814. The motion prevailed.
- Mr. Dicklich moved that S.F. No. 2127 be withdrawn from the Committee on Judiciary and returned to its author. The motion prevailed.
- Mr. Willet moved that S.F. No. 1844 be withdrawn from the Committee on Finance and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.
- Mr. Purfeerst moved that H.F. No. 533 be taken from the table and placed on General Orders. The motion prevailed.

CALENDAR

H.F. No. 1877: A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 7, 8, 9, 10, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins Berglin Bertram Chmielewski Dahl Davis DeCramer Dicklich	Dieterich Frank Freeman Hughes Jude Knaak Kroening Lantry	Luther Moe, D. M. Moe, R. D. Nelson Novak Pehler Peterson, C. C. Peterson, D. C.	Pogemiller Purfeerst Reichgott Samuelson Schmitz Sieloff Solon Stumpf	Ulland Vega Waldorf Wegscheid Willet
Diessner	Lessard	Petty	Taylor	

Those who voted in the negative were:

Anderson Brataas Kamrath Mehrkens Storm Frederick Knutson Merriam Belanger Frederickson Kronebusch Olson Benson Berg Isackson Laidig Ramstad Bernhagen Johnson, D.E. McOuaid Renneke

So the bill passed and its title was agreed to.

S.F. No. 1656: A bill for an act relating to communications; providing conditions for extension of cable communications service outside the boundaries of a core service unit; amending Minnesota Statutes 1982, section 238.17, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dicklich Olson Sieloff Kroening Pehler Solon Anderson Diessner Peterson, C.C. Kronebusch Storm Belanger Dieterich Peterson, D.C. Stumpf Benson Frank Laidig Berg Frederick Lantry Peterson, D.L. Taylor Ulland Berglin Frederickson Luther Petty Bernhagen Freeman McQuaid Pogemiller Vega Hughes Mehrkens Purfeerst Waldorf Bertram Isackson Merriam Ramstad Wegscheid **Brataas** Johnson, D.E. Moe, D. M. Reichgott Willet Chmielewski Dahl Jude Moe. R. D. Renneke Kamrath Nelson Samuelson Davis Novak Knaak **DeCramer** Schmitz

So the bill passed and its title was agreed to.

S.F. No. 97: A bill for an act relating to the environment; requiring notice of intent to develop uranium; creating a uranium policy and regulation development committee; requiring an environmental analysis and reports to the legislature; requiring meetings and public participation; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 116C.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dicklich Knutson Novak Schmitz Anderson Diessner Kroening Olson Sieloff Kronebusch Belanger Dieterich Pehler Solon Peterson, C.C. Benson Frank Laidig Spear Berg Frederick Lantry Peterson, D.C. Storm Berglin Frederickson Lessard Peterson.D.L. Stumpf Freeman Luther Bernhagen Petty Taylor Hughes McQuaid Pogemiller Bertram Ulland Brataas Isackson Mehrkens Purfeerst Vega Chmielewski Johnson, D.E. Mernam Ramstad Waldorf Dahl Jude Moe, D. M. Reichgott Wegscheid Kamrath Moe, R. D. Davis Renneke Willet DeCramer Knaak Nelson Samuelson

So the bill passed and its title was agreed to.

S.F. No. 1843: A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Diessner	Kroening	Pehter	Sieloff
Frank	Kronebusch	Peterson, C.C.	Solon
Frederick	Laidig	Peterson, D.C.	Spear
Frederickson	Lantry	Peterson, D.L.	Storm
Freeman	Lessard	Petty	Stumpf
Hughes	Luther	Pogemiller	Taylor
Isackson	McQuaid	Purfeerst	Ulland
Johnson, D.E.	Mehrkens	Ramstad	Vega
Jude	Moe, R. D.	Reichgott	Waldorf
Kamrath	Nelson	Renneke	Wegscheid
Knaak	Novak	Samuelson	Willet
Knutson	Olson	Schmitz	
	Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Jude Kamrath Knaak	Frank Kronebusch Frederick Laidig Frederickson Lantry Freeman Lessard Hughes Luther Isackson McQuaid Johnson, D.E. Mehrkens Jude Moe, R. D. Kamrath Nelson Knaak Novak	Frank Kronebusch Peterson, C. C. Frederick Laidig Peterson, D. C. Frederickson Lantry Peterson, D. L. Frederickson Lessard Petty Hughes Luther Pogemiller Isackson McQuaid Purfeerst Johnson, D. E. Mehrkens Ramstad Jude Moe, R. D. Reichgott Kamrath Nelson Renneke Knaak Novak Samuelson

Messrs. Benson, Dieterich and Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1750: A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knutson	Olson	Sieloff
Anderson	Dicklich	Kroening	Pehler	Solon
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Spear
Benson	Frank	Laidig	Peterson, D.C.	Storm
Berg	Frederick	Lantry	Peterson, D.L.	Stumpf
Berglin	Frederickson	Lessard	Petty	Taylor
Bernhagen	Freeman	Luther	Purfeerst	Ulland
Bertram	Hughes	McQuaid	Ramstad	Vega
Brataas	Johnson, D.E.	Mehrkens	Reichgott	Waldorf
Chmielewski	Jude	Moe, R. D.	Renneke	Wegscheid
Dahl	Kamrath	Nelson	Samuelson	Willet
Davie	Knaak	Novak	Schmitz	

Messrs. Merriam and Pogemiller voted in the negative.

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H.F. No. 1944: A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Olson	Sieloff
Anderson	Diessner	Kronebusch	Pehler	Solon
Belanger	Dieterich	Laidig	Peterson, C.C.	Spear
Benson	Frank	Lantry	Peterson, D.C.	Storm
Berg	Frederick	Lessard	Peterson, D.L.	Stumpf
Berglin	Frederickson	Luther	Petty	Taylor
Bernhagen	Freeman	McQuaid	Pogemiller	Ulland
Bertram	Hughes	Mehrkens	Purfeerst	Vega
Brataas	Isackson	Merriam	Ramstad	Waldorf
Chmielewski	Johnson, D.E.	Moe, D. M.	Reichgott	Wegscheid
Dahl	Jude	Moe, R. D.	Renneke	Willet
Davis	Kamrath	Nelson	Samuelson	
DeCramer	Knaak	Novak	Schmitz	

So the bill passed and its title was agreed to.

S.F. No. 2148: A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Dicklich Adkins Kronebusch Pehler Solon Peterson, C.C. Laidig Anderson Diessner Spear Belanger Dieterich Peterson, D.C. Storm Lantry Benson Frank Lessard Peterson, D.L. Stumpf Berg Frederick Luther Petty Taylor Berglin Frederickson McQuaid Pogemiller Ulland Bernhagen Freeman Mehrkens Purfeerst Vega Waldorf Bertram Hughes Merriam Ramstad Brataas Isackson Moe, D. M. Reichgott Wegscheid Johnson, D.E. Chmielewski Moe, R. D. Renneke Willet Jude Dahl Nelson Samuelson Davis Kamrath Novak Schmitz **DeCramer** Knaak Olson Sieloff

So the bill passed and its title was agreed to.

S.F. No. 2145: A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dicklich Knutson Novak Schmitz Anderson Diessner Kroening Olson Sieloff Kronebusch Pehler Solon Belanger Dieterich Benson Frank Laidig Peterson, C.C Spear Peterson, D.C. Frederick Storm Berg Lantry Berglin Frederickson Lessard Peterson, D.L. Stumpf Bernhagen Freeman Luther Taylor McQuaid Pogemiller Bertram Hughes Ulland Mehrkens Purfeerst Isackson Vega Brataas Ramstad Chmielewski Johnson, D.E. Merriam Waldorf Dahi Jude Moe, D. M. Reichgott Wegscheid Moe, R. D. Willet Kamrath Renneke Davis **DeCramer** Knaak Nelson Samuelson

So the bill passed and its title was agreed to.

S.F. No. 2083: A resolution memorializing the Administrator of General Services of the United States of the development of a permanent operation plan for the distribution of federal surplus property.

Was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dicklich Knutson Novak Schmitz. Kroening Olson Sieloff Anderson Diessner Pehler Kronebusch Solon Belanger Dieterich Peterson, C.C. Laidig Spear Benson Frank Frederick Lantry Peterson, D.C. Storm Berg Berglin Frederickson Lessard Peterson, D.L. Stumpf Luther Petty Taylor Bernhagen Freeman McQuaid Pogemiller Ulland Hughes Bertram Mehrkens Purfeerst Vega Brataas Isackson Waldorf Chmielewski Johnson, D.E. Merriam Ramstad Moe, D. M. Reichgott Wegscheid Dahl Jude Moe, R. D. Willet Kamrath Renneke Davis Knaak Nelson Samuelson DeCramer

So the resolution passed and its title was agreed to.

H.F. No. 1784: A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Nelson	Samuelson
Anderson	Dicklich	Knaak	Novak	Schmitz
Belanger	Diessner	Kronebusch	Pehler	Sieloff
Benson	Dieterich	Laidig	Peterson, C.C.	Spear
Berg	Frank	Lantry	Peterson, D.C.	Storm
Berglin	Frederick	Lessard	Peterson, D.L.	Stumpf
Bernhagen	Frederickson	Luther	Petty	Taylor
Bertram	Freeman	McOuaid	Pogemiller	Ulland
Brataas	Hughes	Mehrkens	Purfeerst	Vega
Chmielewski	Isackson	Merriam	Ramstad	Wegscheid
Dahl	Johnson, D.E.	Moe, D. M.	Reichgott	Willet
Davis	Jude	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

S.F. No. 2016: A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; eliminating the requirement of publication after incorporation; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 325D.67, subdivisions 5 and 6; 365.46; 379.05; 507.10; Minnesota Statutes 1983 Supplement, sections 507.09; and 648.39, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Pehler	Spear
Anderson	Diessner	Laidig	Peterson, C.C.	Storm
Belanger	Dieterich	Lantry	Peterson, D.C.	Stumpf
Benson	Frank	Lessard	Peterson, D.L.	Taylor
Berg	Frederickson	Luther	Petty	Ulland
Berglin	Freeman	McQuaid	Pogemiller	Vega
Bernhagen	Hughes	Mehrkens	Purfeerst	Waldorf
Bertram	Isackson	Merriam	Ramstad	Wegscheid
Brataas	Johnson, D.E.	Moe, D. M.	Reichgott	Willet
Chmielewski	Jude	Moe, R. D.	Renneke	
Dahl	Kamrath	Nelson	Samuelson	
Davis	Knaak	Novak	Schmitz	
DeCramer	Kroening	Olson	Sieloff	

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

- S.F. Nos. 1411, 1466, 1474, 1589, 1112 and 1590, which the committee recommends to pass.
- S.F. No. 1628, which the committee recommends to pass, subject to the following motions:
 - Mr. Chmielewski moved to amend S. F. No. 1628 as follows:

Pages 1 and 2, delete sections 1 to 4

Page 3, delete line 10 and insert "the governing body of each town and municipality in the county"

Page 3, line 11, delete "populations"

Pages 4 and 5, delete sections 6 to 8

Page 5, line 26, delete "Sections 1 to 8 are" and insert "Section 1 is"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to public welfare; requiring certain counties to plan for the dispersal of residential facilities; amending Minnesota Statutes 1982, section 245.812, subdivision 7."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 24 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kamrath	Olson	Schmitz
Benson	Frederick	Knutson	Peterson, D.L.	Sieloff
Bertram	Frederickson	Lessard	Ramstad	Taylor
Brataas	Isackson	McQuaid	Renneke	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Samuelson	

Those who voted in the negative were:

Anderson Berglin	Frank Freeman	Lantry Luther Merriam	Pehler Peterson, C.C. Peterson, D.C.	Spear Storm Stumpf
Bernhagen Dahl Davis	Hughes Jude Knaak	Moe, D. M. Moe, R. D.	Petty Pogemiller	Vega Waldorf
DeCramer Dieterich	Kroening Laidig	Nelson Novak	Purfeerst Reichgott	Wegscheid Willet

The motion did not prevail. So the amendment was not adopted.

Mr. Sieloff moved to amend S.F. No. 1628 as follows:

Page 2, line 20, reinstate the stricken ", unless such additional conditions"

Page 2, line 21, reinstate the stricken "are" and insert "reasonably" and reinstate the stricken "necessary to"

Page 2, line 24, before the period, insert "provide adequate offstreet parking"

Page 5, line 11, reinstate the stricken ", unless the additional conditions are" and after the reinstated "are" insert "reasonably"

Page 5, line 12, reinstate the stricken "necessary to"

Page 5, line 17, before the period, insert "provide adequate offstreet parking"

The motion prevailed. So the amendment was adopted.

H.F. No. 1408, which the committee recommends to pass with the following amendment offered by Mr. Pehler:

Amend H.F. No. 1408, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1446.)

Page 1, line 23, before the period, insert "providing services as defined in section 174.22, subdivision 7"

Page 4, line 32, before the period, insert "providing services as defined in section 174.22, subdivision 7"

The motion prevailed. So the amendment was adopted.

S.F. No. 1332, which the committee recommends to pass with the following amendment offered by Mr. Frederickson:

Page 1, line 21, after the period, insert:

"The provisions of section 126.21, chapter 363, and any other laws relating to discrimination based on race, color, creed, religion, national origin, or sex, shall apply to the corporation."

The motion prevailed. So the amendment was adopted.

H.F. No. 1382, which the committee reports progress, subject to the following motions:

Mr. Spear moved to amend H.F. No. 1382, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1354.)

Page 2, line 33, delete "June 1, 1985" and insert "January 1, 1986"

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend H.F. No. 1382, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1354.)

Page 3, line 20, strike "Any"

Page 3, lines 21 to 36, strike the old language and delete the new language Amend the title as follows:

Page 1, line 5, delete "resentencing affected inmates" and insert "removing the provision that durational reductions in guideline sentences will be retroactive"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 20, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Pehler	Sieloff
Anderson	Frank	Kroening	Peterson, D.L.	Storm
Belanger	Frederick	Kronebusch	Purfeerst	Taylor
Benson	Frederickson	Laidig	Ramstad	Ulland
Bernhagen	Isackson	McQuaid	Reichgott	Waldorf
Bertram	Johnson, D.E.	Mehrkens	Renneke	Wegscheid
Chmielewski	Jude	Merriam	Samuelson	•
Dahl	Kamrath	Olson	Schmitz	

Those who voted in the negative were:

Berglin	Dieterich	Moe, D. M.	Peterson, C.C.	Pogemiller
Davis	Freeman	Moe, R. D.	Peterson, D.C.	Spear
Dicklich	Lantry	Nelson	Peterson, R.W.	Vega
Diessner	Luther	Novak	Petty	Willet

The motion prevailed. So the amendment was adopted.

Mr. Laidig then moved to amend H.F. No. 1382, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1354.)

Page 3, line 5, before "the" insert "(a)"

Page 3, line 6, strike "modifying"

Page 3, line 7, strike "and improving" and insert "considering proposed modifications and improvements of"

Page 3, lines 7 to 20 delete the new language

Page 3, after line 36 insert:

"(b) No modification to the guidelines may become effective until approved as provided in section 5.

Sec. 5. [244.12] [LEGISLATIVE REVIEW OF GUIDELINE MODIFICATIONS.]

Subdivision 1. [REPORT ON MODIFICATIONS.] The sentencing guidelines commission shall submit an annual report specifying proposed modifications of the sentencing guidelines to the chairmen of the committees on judiciary in the house and senate.

Subd. 2. [APPROVAL BY LAW.] If the proposed modifications are not approved by law, the proposed modifications have no effect."

Page 4, line 7, delete "5" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "providing for the"

Page 1, line 3, after the semicolon, insert "providing that no modifications of the sentencing guidelines will go into effect unless approved by the legislature:"

Page 1, line 4, delete everything after "of"

Page 1, line 9, before the period, insert "; proposing new law coded in Minnesota Statutes, chapter 244"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Frank	Kamrath	Olson	Storm
Belanger	Frederick	Kroening	Peterson, D.L.	Taylor
Benson	Frederickson	Kronebusch	Purfeerst	Ulland
Bernhagen	Isackson	Laidig	Ramstad	Wegscheid
Bertram	Johnson, D.E.	McQuaid	Renneke	· ·
Dahl	Jude	Mehrkens	Sieloff	

Those who voted in the negative were:

Berglin	Freeman	Moe, D. M.	Peterson, R.W.	Stumpf
Davis	Hughes	Moe, R. D.	Petty	Vega
DeCramer	Knaak	Nelson	Pogemiller	
Dicklich	Lantry	Novak	Reichgott	
Diessner	Luther	Peterson, C.C.	Schmitz	
Dieterich	Merriam	Peterson, D.C.	Spear	

The motion prevailed. So the amendment was adopted.

H.F. No. 1382 was then progressed.

Mr. Moe, R.D. moved that the report of the Committee of the Whole, as kept by the Secretary, be now adopted.

Mr. Moe, D.M. requested that the report on S.F. No. 1466 be divided out.

Mr. Moe, R.D. moved that the report of the Committee of the Whole, with the exception of the report on S.F. No. 1466, be adopted. The motion prevailed.

The question was taken on the adoption of the report on S.F. No. 1466.

The roll was called, and there were yeas 43 and nays 18, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Kamrath	Olson	Schmitz
Anderson	Dicklich	Knaak	Pehler	Sieloff
Belanger	Diessner	Kroening	Peterson, C.C.	Storm
Benson	Frederick	Kronebusch	Peterson, D.L.	Stumpf
Bernhagen	Frederickson	Laidig	Purfeerst	Taylor
Bertram	Freeman	Lessard	Ramstad	Waldorf
Chmielewski	Isackson	McQuaid	Reichgott	Willet
Dahl	Johnson, D.E.	Mehrkens	Renneke	
Davis	Jud e	Nelson	Samuelson	

Those who voted in the negative were:

Berglin	Lantry	Moe, R. D.	Petty	Vega
Dieterich	Luther	Novak	Pogemiller	Wegscheid
Frank	Merriam	Peterson, D.C.	Spear	
Hughes	Moe D M	Peterson R W	LÜland	

The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Freeman, Hughes, Jude, Vega and Samuelson introduced-

S.F. No. 2195: A bill for an act relating to taxation; providing that 1985 local government aid paid to a city shall be no less than its 1984 payment; amending Minnesota Statutes 1983 Supplement, section 477A.0131, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Peterson, C.C. introduced-

S.F. No. 2196: A resolution memorializing the United States Veterans Administration to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

Referred to the Committee on Veterans and General Legislation.

Mr. Peterson, C.C. introduced-

S.F. No. 2197: A resolution memorializing the United States Congress to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

Referred to the Committee on Veterans and General Legislation.

Mr. Freeman introduced—

S.F. No. 2198: A bill for an act relating to marriage dissolution; providing for marital property division; prohibiting assignment of pension benefits or rights acquired upon dissolution or annulment; amending Minnesota Statutes 1982, section 518.58.

Referred to the Committee on Judiciary.

Mr. Freeman introduced—

S.F. No. 2199: A bill for an act relating to health; requiring disclosure of certain medical data or medical information for the purpose of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2: 144.335; and 254A.09.

Referred to the Committee on Judiciary.

Mr. Bernhagen introduced—

S.F. No. 2200: A bill for an act relating to taxation; sales and use; providing for timely payment of sales and use taxes; amending Minnesota Statutes 1982, section 297A.27, subdivision 1, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf and Moe, R.D. introduced—

S.F. No. 2201: A bill for an act relating to taxation; extending the disaster credit to certain agricultural homesteads; amending Minnesota Statutes 1982, section 273.123.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Petty, Pogemiller and Ms. Berglin introduced-

S.F. No. 2202: A bill for an act relating to firefighters; establishing the firefighters standards board; providing for training of firefighters; appropriating money; proposing new law coded in Minnesota Statutes, chapter 299F.

Referred to the Committee on Governmental Operations.

Mr. Nelson introduced-

S.F. No. 2203: A bill for an act relating to natural resources and agriculture; allowing compensation to owners of crops damaged by deer; amending Minnesota Statutes 1982, section 3.737, by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, D.J.; Pehler, Novak; Jude and Peterson, C.C. introduced—

S.F. No. 2204: A bill for an act relating to taxation; providing a deduction for joint income tax filers; amending Minnesota Statutes 1983 Supplement, section 290.089, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Ulland introduced-

S.F. No. 2205: A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Mr. Wegscheid introduced-

S.F. No. 2206: A bill for an act relating to health; prohibiting discrimination by health maintenance organizations against optometrists; providing penalties; amending Minnesota Statutes 1982, section 62D.12, by adding a subdivision.

Referred to the Committee on Health and Human Services.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Tuesday, April 10, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FOURTH DAY

St. Paul, Minnesota, Tuesday, April 10, 1984

The Senate met at 10:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Arnold H. Heumann.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Oison	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 9, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 1475.

Sincerely, Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 7, 1041 and 1139.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 9, 1984

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1010, 1835, 1850, 2162, 1420, 1425, 1663, 1700, 1886, 2047, 2238, 1393, 1814, 1815, 756, 1550, 1553, 1466, 1507, 1533, 1703, 1722, 1781, 1939, 1824, 1273, 1436, 1445 and 1446.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 9, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1010: A bill for an act relating to the city of Thief River Falls; changing restrictions on filing and recording certain conveyances.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2179.

H.F. No. 1835: A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1334, now on Special Orders.

H.F. No. 1850: A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2040, now on Special Orders.

H.F. No. 2162: A bill for an act relating to Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes and other legislative staff; setting goals; providing for the accomplishment of goals within existing resources.

Referred to the Committee on Judiciary.

H.F. No. 1420: A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1987, now on Special Orders.

H.F. No. 1425: A bill for an act relating to agriculture; providing for alter-

native methods for establishing the value of milk purchased from producers; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1450, now on Special Orders.

H.F. No. 1663: A bill for an act relating to agriculture; making certain changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1649.

H.F. No. 1700: A bill for an act relating to insurance; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, section 65B.44, subdivision 5.

Referred to the Committee on Economic Development and Commerce.

H.F. No. 1886: A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1480, now on Special Orders.

H.F. No. 2047: A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1967, now on Special Orders.

H.F. No. 2238: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2061, now on Special Orders.

H.F. No. 1393: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the

planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10, 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5: 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions la, le, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2i.

Referred to the Committee on Finance.

H.F. No. 1814: A bill for an act relating to taxation; clarifying certain property tax credit provisions; providing that amounts to pay certain certificates are a special levy; providing for deduction of taconite aids from levy limit base; simplifying iron ore valuation hearing requirements; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; and 276.04; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1551, now on Special Orders.

H.F. No. 1815: A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2,

3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 756: A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, sections 359.01; and 359.02.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2173.

H.F. No. 1550: A bill for an act relating to retirement; public employees retirement association; vesting period for certain public hospital employees; amending Minnesota Statutes 1982, section 353.34, by adding a subdivision.

Referred to the Committee on Governmental Operations.

H.F. No. 1553: A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations and local government units; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 112.37, subdivision 7; 112.42, subdivision 3; 473.876, subdivision 9; 473.877; 473.878, subdivisions 2, 3, 4, and by adding a subdivision; and 473.882, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 473.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1554, now on Special Orders.

H.F. No. 1466: A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 488A.13, subdivision 2; 488A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1285, now on Special Orders.

H.F. No. 1507: A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1533: A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1557, now on Special Orders.

H.F. No. 1703: A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1771, now on Special Orders.

H.F. No. 1722: A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1833, now on Special Orders.

H.F. No. 1781: A bill for an act relating to taxes, clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1411, now on the Calendar.

H.F. No. 1939: A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2153.

H.F. No. 1824: A bill for an act relating to transportation; authorizing vending machines in rest areas, tourist information centers and weigh stations on certain highways; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; providing for the erection of certain signs by counties; permitting restaurants to be included on specific service signs; providing for the clustering and spacing of specific service signs; directing the commissioner of transportation to establish a sign franchise program for the placement of advertising logos on the right-of-way of certain highways; authorizing road authorities to assist each other; redefining "directional signs" for purposes of outdoor advertising control and directing the commissioner of transportation to develop uniform standards for them; reducing a fee; repealing a restriction on the authority of the commissioner of transportation to expend money to acquire or condemn advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7, 160.20, subdivision 3, and by adding a subdivision; 160.28, by adding a subdivision; 160.283, subdivision 3: 160.285; 160.292; 160.293, subdivisions 1 and 3; 160.295, subdivisions 2 and 3; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; 169.01, by adding a subdivision; 169.14, subdivision 2, and by adding a subdivision;

173.02, subdivision 6; and 173.13, subdivision 7; Minnesota Statutes 1983 Supplement, sections 173.08, subdivision 1; 173.13, subdivision 4; and Laws 1983, chapter 293, section 2, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 160 and 173.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1878, now on Special Orders.

H.F. No. 1273: A bill for an act relating to retirement; salaried firefighters relief associations; providing vesting upon layoff in certain instances; proposing new law coded in Minnesota Statutes, chapter 423A.

Referred to the Committee on Governmental Operations.

H.F. No. 1436: A bill for an act relating to education; deleting the prohibition against rules requiring secondary vocational programs; clarifying some duties of the state boards of education, and vocational education; amending Minnesota Statutes 1982, section 124.573, subdivision 3.

Referred to the Committee on Education.

H.F. No. 1445: A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1402, now on Special Orders.

H.F. No. 1446: A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motorcycles under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 1.

Referred to the Committee on Economic Development and Commerce.

REPORTS OF COMMITTEES

- Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.
- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1960: A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; appropriating money; amending Minnesota Statutes 1982, sections 116J.36, subdivisions 3, 4, 6, 8, and by adding a subdivision; 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922;

116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 116J.88, as amended by Laws 1983, chapter 289, sections 63, 64, 65, 66, 67, 68, and 69, is amended to read:
- 116J.88 [SMALL BUSINESS FINANCE AGENCY, MINNESOTA ENERGY AND ECONOMIC DEVELOPMENT AUTHORITY; DEFINITIONS.]
- Subdivision 1. [SCOPE.] Each term defined in this section has the meaning given it whenever used in sections 116J.63 and 116J.88 116J.875 to 116J.91 116J.926.
- Subd. 2. [AUTHORITY.] "Authority" means the *Minnesota* energy and economic development authority created in section 116J.89.
- Subd. 3a. [BUSINESS.] "Business" means any person engaged in a trade or business of any nature that is operated for profit or not for profit.
- Subd. 4. [ELIGIBLE SMALL BUSINESS.] "Eligible small business" means an enterprise determined by the authority to constitute a small business concern as defined in regulations of the United States small business administration pursuant to United States Code, title 15, sections 631 to 647, as amended from time to time.
- Subd. 4a. [PERSON.] "Person" means any person, including individuals, firms, partnerships, associations, societies, trusts, public or private corporations, or other legal entities, including public or governmental bodies as well as natural persons. "Person" includes the plural as well as the singular.
- Subd. 5. [TARGETED SMALL BUSINESS.] "Targeted small business" for the purpose of section 116J.90, subdivision 5, means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association, or cooperative, which entity business:
- (a) has 20 or fewer full-time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and
- (b) is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full-time employees and more than \$1,000,000 in annual gross revenues.
- "Targeted small business" includes may include a farm business engaged in farming, agricultural production or processing, or storage of agricultural products.
- Subd. 6. [FINANCIAL INSTITUTION.] "Financial institution" means a bank, bank or trust company, trust company, mortgage company, credit union, mortgage banker, national banking association, savings bank, savings

association, savings and loan association, building and loan association, insurance company, securities broker-dealer, financial organizations relating to commercial credit or venture capital, or a lender certified by the secretary of housing and urban development or by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration or any other financial or lending institution, whether organized under federal law or the laws of any state of the United States, and whether located within or without this state.

- Subd. 6a. [LOANS.] "Loans" means any of the following types of loans: business loans, small business loans, pollution control loans, energy loans, and farm loans.
- Subd. 7. [BUSINESS LOAN.] "Business loan" means a loan, other than a pollution control loan, energy loan, or farm loan, to the owner of an eligible small a business for the financing of (a) capital expenditures, on an interim or long-term basis, for the acquisition or improvement of land, acquisition, construction, rehabilitation, removal, or improvement of buildings, or acquisition and installation of fixtures and equipment useful for the conduct of the business, including all facilities of a capital nature useful or suitable for any business engaged in any enterprise promoting employment (or any of the other purposes listed below), including, without limitation, those facilities included within the meaning of the term "project" as defined in section 474.02, subdivisions 1 to 1f and section 474.03, subdivision 4; or

(b) short term costs of conducting an eligible small business.

- Subd. 7a. [FARM LOAN.] "Farm loan" means a loan to a farm business for the acquisition, installation, improvement, construction, rehabilitation, or removal of buildings, or acquisition and installation of fixtures or equipment, useful for the conduct of a farm business.
- Subd. 8. [POLLUTION CONTROL LOAN.] "Pollution control loan" means a loan to an eligible small a business for the acquisition, construction, or improvement of pollution control facilities or operations. Pollution control facilities or operations may include real and personal property likely to help prevent, reduce, abate, or control noise, air, or water pollution or contamination by removing, altering, disposing, or storing pollutants, contaminants, wastes, or heat, and real and personal property to be used for the collection, storage, treatment, utilization, processing, or final disposal of solid or liquid waste.
- Subd. 9. [FUND FUNDS.] "Fund" "Funds" means the group of funds controlled by the authority, including the economic development fund created by section 116J.89, subdivision 1c, the energy loan insurance fund created by section 116J.924, and the energy development fund created by section 116J.925.
- Subd. 10. [ENERGY LOAN.] "Energy loan" means a loan or advance of credit, to finance a "qualified energy project" as defined in this section.
- Subd. 11. [SMALL BUSINESS LOAN.] "Small business loan" means a loan to a business that is an "eligible small business" or a "targeted small business" for the financing of (a) capital expenditures on an interim or long-term basis for the acquisition or improvement of land, acquisition, construction, rehabilitation, removal, or improvement of buildings, or the acquisition

and installation of fixtures and equipment useful to conduct a small business, including all facilities of a capital nature useful or suitable for any business engaged in any enterprise promoting employment including, without limitation, those facilities included within the meaning of the term "project" as defined in section 474.02, subdivisions 1 to 1f and section 474.03, subdivision 4; or (b) short-term costs of conducting a small business.

With respect to financing the capital expenditure or facility or short-term costs, if the authority determines that the expenditure, facility, or costs will accomplish one or more of the following purposes: tend to maintain or provide gainful employment opportunities within or for the people of Minnesota; aid, assist, and encourage the economic development or redevelopment of any political subdivision of Minnesota; or maintain or diversify and expand employment promoting enterprise within Minnesota.

- Subd. 12. [CONSERVATION.] "Conservation" means a product or system designed to reduce the amount of energy needed for an energy-consuming activity or process. Conservation includes but is not limited to thermal insulation and air infiltration control in buildings, products, or methods that reduce energy consumption for transportation or soil tillage practices, improvements in combustion efficiency or heat transfer efficiency in boilers, furnaces, or direct-fired process heaters, and changes to industrial production equipment that result in lower energy use per unit of output.
- Subd. 13. [MUNICIPALITY.] "Municipality" means a city, town, county, school district, special taxing district, or a municipal power agency governed by chapter 453, or a group or combination of those units operating under an agreement to jointly undertake projects authorized by sections 116J.921 to 116J.926.
- Subd. 14. [ALTERNATIVE ENERGY RESOURCE.] "Alternative energy resource" means a source of energy available from indigenous Minnesota resources including but not limited to peat, biomass, solar energy, wind, municipal wastes, agricultural or forestry wastes, hydropower, and agricultural crops suitable for conversion to an energy fuel.
- Subd. 15. [RENEWABLE ENERGY RESOURCE.] "Renewable energy resource" means a source of energy occurring in Minnesota which, when consumed for energy purposes, is replaced within a matter of days, months, or years by new or additional supplies of the energy source. Renewable energy resources include, but are not limited to, forestry products and forest harvest residues, solar energy, wind energy, waterpower, and agricultural wastes.
- Subd. 16. [ENERGY RECOVERY.] "Energy recovery" means the extraction of energy from materials, components, or processes which would normally represent wasted energy resources. Municipal solid wastes, volatile sewer gases, and power plant waste heat, among others, offer the potential for energy recovery.
- Subd. 17. [QUALIFIED ENERGY PROJECT.] "Qualified energy project" means acquiring, installing, rehabilitating or constructing land, buildings, capital improvements, or equipment for (1) conservation of energy or use of alternative or renewable energy resources in the operation of a business, (2) recovery or production from alternative or renewable resources of

energy to be sold in the course of business, (3) production for sale in the course of business of equipment for the conservation or recovery of energy or for the use of energy from alternative or renewable resources, or (4) creation of facilities to manufacture or fabricate devices and equipment for the conservation or recovery of energy or to obtain energy from alternative or renewable energy resources, if the equipment is for sale in the course of business.

Sec. 2. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 1, is amended to read:

Subdivision 1. [CREATION; SUCCESSOR STATUS.] The small business finance agency created by Laws 1980, chapter 547, is renamed the Minnesota energy and economic development authority and may act on behalf of the state within the scope of the powers granted to it in sections 116J.88 116J.875 to 116J.91 116J.926 to implement loan programs and to provide financial assistance under the economic development fund funds by which, the authority alone or in cooperation with cities, towns, counties, and private or public lenders, may provide adequate funds or incentives to financing such as guarantees or insurance on sufficiently favorable terms to assist and encourage the establishment, maintenance, and growth of eligible small businesses and or employment opportunities in Minnesota, and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of eligible small businesses and to improve the efficiency of energy use by businesses and to encourage businesses to provide a reliable and economic supply of energy for use by the state's households, business establishments, and municipalities, through energy conservation, the production or recovery of energy from alternative or renewable energy resources, or the production of equipment or products which conserve, produce, or recover energy.

The authority so named is the legal successor in all respects of the small business finance agency as originally named and constituted and all bonds, resolutions, contracts, and liabilities of that original agency are the bonds, resolutions, contracts, and liabilities of the authority as so renamed and reconstituted.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, whether or not the interest on the bonds is exempt from federal income taxes, the authority will be able to spread its financing costs among the eligible small businesses to which the authority provides financing recipients of its financial assistance, thereby reducing the costs incurred by each eligible small business to the recipients of the authority's financial assistance.

Sec. 3. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 1a, is amended to read:

Subd. 1a. [USE OF ECONOMIC DEVELOPMENT FUND FUNDS.] In addition, The authority may use the energy loan insurance fund as provided in section 116J.924. The authority may use the economic development fund in connection with small business loans, pollution control loans, and farm loans to provide financial assistance to eligible small businesses; it may use the economic development fund in connection with business loans when the loans are made as a part of the special assistance program under section

- 116J.90, subdivision 5a; and the authority may use the energy development fund in connection with energy loans to provide financial assistance to businesses; as follows:
- (a) to provide loan guarantees or insurance, in whole or in part, to eligible small businesses in connection with business loans, small business loans, energy loans, farm loans, or pollution control loans;
- (b) to provide direct loans to eligible small businesses in connection with business loans, small business loans, energy loans, farm loans, or pollution control loans;
- (c) to participate in other investment programs as appropriate under the terms of sections 116J.65, 116J.67, 116J.88 116J.875 to 116J.91 116J.926, and chapters 472 and 474;
- (d) to purchase loan packages made to eligible small businesses by financial institutions in the state in connection with business loans, small business loans, energy loans, farm loans, or pollution control loans;
- (e) to enter into or to pay fees on insurance contracts, letters of credit, municipal bond insurance, surety bonds, or similar obligations and other agreements or contracts with financial institutions or providers of similar services;
- (f) to guarantee or insure bonds and notes issued by the authority, in whole or in part;
- (g) to make interest subsidy payments on behalf of eligible small businesses to be applied to the payment of interest on bonds or notes of the authority equal to the difference in interest payable on loans and the interest payable on bonds or notes of the authority where the proceeds of these bonds or notes are used to make or participate in making these loans;
- (h) for any legal purpose or program of the authority, including without limitation the payment of the cost of issuing authority bonds and notes and authority administrative costs and expenses.

In addition, the authority may use the economic development fund to purchase, lease, or license technology-related products for education or training or to participate in programs where technology-related products are purchased, leased, or licensed.

(g) The authority may create separate accounts within any of the fund funds for use in accordance with the separate purposes listed in this section and may irrevocably pledge and allocate moneys on deposit in any of the fund funds to the accounts for the purposes. The authority may make contracts with note and bond holders, trustees for them, financial institutions, or other persons interested in the disposition of moneys in the fund funds or its their accounts with respect to the conditions upon which money in the any fund or its accounts is to be held, invested, applied, and disposed of and the use of the fund and its accounts and the termination of accounts. The authority may determine to leverage amounts in accounts to be used to guarantee or insure bonds and notes of the authority or loans to eligible small businesses and may covenant as to the rate of leveraging with holders of the authority's bonds and notes or any trustee for them, financial institutions, or other persons. Money in the funds and its their accounts shall, consistent with contracts with

holders of the authority's bonds and notes or any trustee for them, financial institutions, or other interested persons, be invested in accordance with section 116J.91, subdivision 15, and the investment income from them, absent contractual provisions to the contrary, shall be added to and retained in the fund funds or its their accounts if provided by the authority. The repayments to the authority of any direct loans made by the authority from money in the fund funds or its their accounts shall be paid by the authority into the particular fund that was used in conjunction with the loan being repaid, or, as provided by the authority, into an account. The authority may collect fees, initially or from time to time, or both, with respect to any direct loan it extends or any insurance or guarantee it grants. The authority may enter into contracts and security instruments with eligible small businesses, with bond and note holders or any trustee for them, or financial institutions or other persons to provide for and secure the repayment to the authority of money provided by the authority from the fund funds or its their accounts for direct loans or which have been paid by the authority from the fund or accounts pursuant to an authority guarantee or insurance.

The state covenants with all holders of the authority's bonds and notes, financial institutions, and other persons interested in the disposition of money in the fund funds or its their accounts, which money the authority has irrevocably pledged and allocated for any authorized purpose described in this subdivision, that the state will not take any action to limit the effect of the pledge and allocation and will not take any action to limit the effect of contracts entered into as authorized in this subdivision with respect to the pledge and allocation and will not limit or alter the rights vested in the authority or the state to administer the application of money pursuant to the pledge and allocation and to perform its obligations under the contracts. The authority may include and recite this covenant of the state in any of its bonds or notes benefitting from the pledge and allocation or contracts or related documents or resolutions;

- (h) to enter into contract with note and bond holders or other persons interested in the disposition of the fund; and
- (i) for any legal purpose or program of the authority, including without limitation the payment of the cost of issuing authority bonds and notes and authority administrative costs and expenses.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 1b, is amended to read:
- Subd. 1b. [ECONOMIC DEVELOPMENT FUNDS; PREFERENCES.] (a) The following eligible small businesses have preference among all business applicants for financial assistance from the economic development fund:
- (1) businesses located in areas of the state that are experiencing the most severe unemployment rates in the state;
- (2) eligible small businesses that are likely to expand and provide additional permanent employment;
- (3) businesses located in border communities that experience a competitive disadvantage due to location;
 - (4) businesses that have been unable to obtain traditional financial assis-

tance due to a disadvantageous location, minority ownership, or other factors rather than due to the business having been considered a poor financial risk;

- (5) businesses that utilize state resources, thereby reducing state dependence on outside resources, and that produce products or services consistent with the long-term social and economic needs of the state;
- (6) businesses located in designated enterprise zones, as described in section 273,1312, subdivision 4; and
 - (7) business located in federally designated economically distressed areas.
- (b) Except in *connection with* the issuance of authority bonds or notes, the authority may not invest the funds in a program that does not have financial participation from the private sector, as determined by the authority.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 1c, is amended to read:
- Subd. 1c. [CREATION OF ECONOMIC DEVELOPMENT FUND.] There is created the economic development fund to be administered by the authority. All money in the fund is appropriated to the authority to accomplish the authority's business development purposes.

The money in the economic development fund must be used as provided in sections 116J.65, 116J.67, 116J.875 to 116J.926, and chapters 472 and 474, to provide financial assistance to businesses, eligible small businesses, targeted small businesses, and farm businesses. This financial assistance includes business loans, pollution control loans, small business loans, and farm loans and the purchasing, leasing, or licensing of technology-related products or rights to the products.

- Sec. 6. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 2, is amended to read:
- Subd. 2. [PUBLIC PURPOSES.] Sections 116J.88 to 116J.91 and sections 116J.921 116J.875 to 116J.926 are enacted to promote the welfare and prosperity of the state by maintaining and increasing the career and job opportunities of its citizens; by reducing, controlling, and preventing environmental pollution and waste of energy and other resources; and by protecting and enhancing the tax base on which state and local governments depend for the financing of public services.
- Sec. 7. Minnesota Statutes 1982, section 116J.89, subdivision 4, is amended to read:
- Subd. 4. The state pledges and agrees with all holders of obligations of the agency authority that it will not limit or alter the rights vested in the agency authority to fulfill their terms, and will not in any way impair the rights or remedies of the holders, until all of the obligations and interest on them, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of such holders to enforce the payment and other provisions of the obligations, are fully met and discharged. The agency authority is authorized to include and recite this pledge and agreement of the state in any obligation or related document.
 - Sec. 8. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision

6, is amended to read:

- Subd. 6. The property of the agency authority and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 116J.89, subdivision 8, is amended to read:
- Subd. 8. [MEMBERSHIP.] The members and governing body of the authority shall be the commissioner and ten other members appointed by the governor. The governor shall designate the chairman from among the members. The board shall elect a secretary and other officers as it deems fit from among its members. On July 1, 1983, the governor shall have authority to appoint new members. The terms of the current members shall expire, respectively, when they are replaced and new members are appointed by the governor and qualified. Section 15.0575 governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.
- Sec. 10. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The authority may make or purchase or participate with financial institutions in making or purchasing business loans, small business loans, energy loans, pollution control loans, and farm loans upon the conditions described in this section, and may enter into commitments therefor.

- Sec. 11. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 2, is amended to read:
- Subd. 2. [SMALL BUSINESS LOANS; LIMITATIONS.] The authority may make or purchase or participate with financial institutions in making or purchasing *small* business loans not exceeding \$1,000,000 in principal amount with respect to *small* business loans made or purchased by the authority and not exceeding \$1,000,000 principal amount with respect to the authority's share thereof when the authority participates in making or purchasing *small* business loans.

With respect to business loans that the authority makes or purchases or participates with, the authority may determine or provide for their servicing, the percentage of authority participation, if any, the times the loans or participations shall be payable and the amounts of payment, their amount and interest rates, their security, if any, and other terms, conditions, and provisions necessary or convenient in connection with them and may enter into all necessary contracts and security instruments in connection with them. The authority may provide for or require the insurance or guaranteeing of the business loans or authority participations in whole or in part by the federal government or a department, agency, or instrumentality of it, by an appropriate account created with respect to the economic development fund in connection with business loans, small business loans, pollution control loans, and farm loans, and with respect to the energy development fund in connection with energy loans, or by a private insurer. In connection with making or purchasing business loans or participations in them, the authority may enter into commitments to purchase or participate with financial institutions or other persons upon the terms, conditions, and provisions determined by it. Business Loans or participations may be serviced by financial institutions or other persons designated by the authority. The dollar limitations contained in this subdivision do not apply to energy loans and loans insured under sections 93 116J.924 and 94 116J.925.

- Sec. 12. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 3, is amended to read:
- Subd. 3. [DIRECT BUSINESS AND FARM LOANS; LIMITATIONS.] The authority may make business loans or farm loans not exceeding \$100,000 in principal amount, at interest rates and subject to terms determined by the authority, provided that each loan shall be made only from the proceeds of a bond or note payable in whole or part from the repayments of principal and interest on the loan. The loans may also be guaranteed or insured by money on deposit in the economic development fund or any special account of it, and may be secured by reserve funds and other collateral and available money as determined by the authority. The authority may enter into all necessary contracts and security instruments in connection with them. The limitation on loan amounts in this subdivision does not apply to energy loans and loans insured under sections 93 and 94 any other loan authorized under this act.
- Sec. 13. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 5, is amended to read:
- Subd. 5. [TARGETED LOANS.] The authority shall make every effort to assure that at least 50 percent of the principal amount of the loans made or purchased by the authority in each fiscal year consists of loans with a principal amount of \$100,000 or less to targeted small businesses as defined in section 116J.88, subdivision 5, and the financial management division shall provide technical assistance needed by targeted small businesses to complete applications and meet other requirements for those loans. The authority shall report to the legislature annually on or before February 1 as to its compliance with the requirements of this subdivision during the preceding fiscal year. Noncompliance with this subdivision does shall not affect the validity of bonds and notes heretofore or hereafter issued.
- Sec. 14. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:
- Subd. 5a. [SPECIAL ASSISTANCE PROGRAM.] (a) The authority may operate a special assistance program and may designate certain businesses as being in need of special assistance. In connection with the special assistance program the authority may borrow money and may issue negotiable bonds and notes in accordance with section 116J.91, subdivisions 11 and 12. Notwithstanding any provision to the contrary in section 116J.91, subdivision 11, the aggregate principal amount of the authority's bonds and notes outstanding at any one time and issued in connection with the special assistance program, excluding the amount satisfied and discharged by payment and deducting amounts held in debt service reserve funds and amounts used to make loans guaranteed or insured by the federal government or a department, agency, or instrumentality of the federal government or by a private insurer or guarantor authorized to do business in the state of Minnesota and acceptable to the authority, shall not exceed \$10,000,000.

- (b) No business shall be eligible to receive special assistance unless the authority has first passed a resolution designating the business as being in need of special assistance. The resolution shall include findings that the designation and receipt of the special assistance will be of exceptional benefit to the state of Minnesota in that at least two of the following criteria are met:
- (1) in order to expand or remain in Minnesota, the business has demonstrated that it is unable to obtain suitable financing from other sources;
- (2) special assistance will enable a business not currently located in Minnesota to locate a facility within Minnesota which directly increases the number of jobs within the state;
- (3) the business will create or retain significant numbers of jobs within a community in Minnesota; and
- (4) the business has a significant potential for growth in jobs or economic activities within Minnesota within the ensuing five-year period.
 - (c) Special assistance may include:
 - (1) a business loan;
 - (2) a small business loan; or
- (3) use of monies in the economic development fund to provide financial assistance to businesses in accordance with section 116J.89, subdivision 1a, except that section 116J.89, subdivision 1a(g), shall apply only to eligible small businesses.
- Sec. 15. Minnesota Statutes 1983 Supplement, section 116J.90, subdivision 6, is amended to read:
- Subd. 6. [REPORTS.] (a) Each financial institution that participates in a pollution control or business loan with the authority shall annually on or before March 1 submit a report for the prior calendar year to the authority on a form prescribed by the state auditor commissioner. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan, and any other information as the state auditor commissioner may reasonably require.
- (b) The authority shall annually on or before May 1 submit a report on a form prescribed by the state auditor commissioner for the prior calendar year to the state auditor on all loans that it makes, purchases, or participates in. The report shall include a listing of each new and outstanding loan in which the financial institution is a participant, the amount and terms of the loan, the purpose of the loan, and any other information as the state auditor may reasonably require.
- (c) The state auditor shall annually on or before July I submit a report for the prior calendar year to the governor and the legislature summarizing the report submitted pursuant to clause (b).
- (d) The cost of preparing and submitting the reports required by this subdivision shall be borne by the party submitting it. Any financial institution that fails to comply with the requirements of this subdivision shall be prohibited from participating in future loans until it complies.

Sec. 16. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 1, is amended to read:

Subdivision 1. In implementing the purposes and the programs described in sections 116J.88 to 116J.91 116J.65, 116J.67, 116J.875 to 116J.926, and chapters 472 and 474, the authority shall have the powers and duties set forth in this section.

- Sec. 17. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:
- Subd. 4. It may adopt, amend, and repeal rules, including temporary rules, not inconsistent with the provisions of sections 116J.88 to 116J.91 116J.65, 116J.67, 116J.875 to 116J.926, and chapters 472 and 474 as necessary to effectuate its purposes. Notwithstanding any other law to the contrary, the temporary rules need not be adopted in compliance with chapter 14, and shall be effective for 180 days, or until the permanent rules are adopted, whichever occurs first. The temporary rules shall be effective upon adoption by the authority and shall be published in the state register as soon thereafter as possible.
- Sec. 18. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 11, is amended to read:
- Subd. 11. It may borrow money to carry out and effectuate its purposes and may issue its negotiable bonds or notes as evidence of any such borrowing in accordance with sections 462A.08 to 462A.13, 462A.16 and 462A.17, all with the force and effect stated and the incidental powers granted and duties imposed in those sections. The bonds and notes may be issued pursuant to a trust indenture that is substantially identical to a resolution pursuant to which the authority issues bonds and notes as provided in sections 462A.08 to 462A.13, 462A.16, and 462A.17, except that the authority may pledge money and securities to a trustee for the security of the holders of bonds and notes. The authority may refund bonds and notes and may guarantee or insure its bonds and notes in whole or in part with money from the economic development fund funds or an account created by the authority for that purpose. The aggregate principal amount of the authority's bonds and notes outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor and amounts used to make loans guaranteed or insured by the federal government or a department, an agency or instrumentality of the federal government or by a private insurer or guarantor authorized to do business in the state of Minnesota and acceptable to the authority, shall not exceed \$30,000,000 unless authorized by another law.
- Sec. 19. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 12, is amended to read:
- Subd. 12. It may issue and sell bonds, notes, and other obligations payable solely from particular moneys, assets, or revenues derived from its programs, or any business loan, farm loan, or pollution control loan, notwithstanding section 462A.08, subdivision 3. Obligations issued to participate in making or purchasing business loans or pollution control loans shall be payable solely from revenues derived by the authority from repayments of these

loans and from enforcement of the security therefor, or from a debt service reserve fund or funds, or from a general reserve fund or from a segregated portion thereof, or from other funds or security specifically pledged by the authority, irrevocably pledged and appropriated to pay principal and interest due, for which other funds are not available. A general reserve fund is created and is eligible to receive direct appropriations from the state treasury or a transfer from any of the economic development fund funds as the authority may provide by resolution. The authority may irrevocably pledge and appropriate all or a segregated portion of the general reserve fund to pay principal and interest due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions that the authority shall determine. Until so pledged and appropriated by the authority the general reserve fund shall not be available to pay principal and interest on the authority's obligations. The authority may at its option provide by resolution that obligations issued to participate in making or purchasing business loans or pollution control loans be secured at the time of issuance in whole or in part by a debt service reserve fund or funds, a portion of the general reserve fund segregated to secure one or more series of bonds, or the portion of the general reserve fund not segregated to secure one or more series of bonds. The operation of the debt service reserve fund or funds or a segregated portion of the general reserve fund and other relevant terms or provisions shall be determined by resolution or indenture of the authority. Obligations issued to make or purchase business loans, farm loans, or pollution control loans may be issued pursuant to an indenture of trust or a resolution of the authority. It may pledge to holders of obligations, or to a trustee, repayments from the loans, any security or collateral for them, contract rights with respect to them, and any other funds or security specifically pledged by the authority for them.

- Sec. 20. Minnesota Statutes 1982, section 116J.91, subdivision 15, is amended to read:
- Subd. 15. It may cause any funds not required for immediate disbursement. including the general reserve fund, to be invested in direct obligations of or obligations guaranteed as to principal and interest by the United States, or in insured savings accounts, up to the amount of the insurance, in any institution the accounts of which are insured by the federal savings and loan insurance corporation or to be deposited in a savings or other account in a bank insured by the federal deposit insurance corporation or to be invested in time certificates of deposit issued by a bank insured by the federal deposit insurance corporation and maturing within one year or less and in the investments described in section 11A.24, subdivision 4, except clause (d) of subdivision 4. It may deposit funds in excess of the amount insured with security as provided in chapter 118. Notwithstanding the foregoing, it may invest and deposit funds into accounts established pursuant to resolutions or indentures securing its bonds or notes in such investments and deposit accounts or certificates, and with such security, as may be agreed therein with the holders or a trustee for the holders.
- Sec. 21. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 16, is amended to read:
- Subd. 16. It may provide general consultative and technical services to assist in financing small business facilities for the businesses to which loans

may be made. It may enter into agreements or other transactions concerning the receipt or provision of those services.

- Sec. 22. Minnesota Statutes 1982, section 116J.91, subdivision 17, is amended to read:
- Subd. 17. Financial information, including, but not limited to, credit reports, financial statements and net worth calculations, received or prepared by the agency authority regarding any agency authority loan, financial assistance, or insurance is private data with regard to data on individuals as defined in section 13.02, subdivision 9 and non-public data with regard to data not on individuals as defined in section 13.02, subdivision 12.
- Sec. 23. Minnesota Statutes 1982, section 116J.91, subdivision 18, is amended to read:
- Subd. 18. It The authority may accept appropriations, gifts, grants, bequests, and devises and use or dispose of them for its corporate purposes. All gifts, grants, bequests, and revenues from those sources are appropriated to the authority for the purposes of sections 116J.65, 116J.67, and 116J.875 to 116J.926. The funding may include, but is not limited to, voluntary public utility investments and expenditures as provided by a utility and submitted in a program approved by the public utilities commission under section 216B.241. Any voluntary investments or expenditures or gifts by a utility as described in this subdivision shall be appropriated to the authority only for purposes of sections 116J.921 to 116J.926.
- Sec. 24. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 19, is amended to read:
- Subd. 19. Proceeds of the authority's bonds, notes, and other obligations; amounts granted or appropriated to the agency authority for the making or purchase or the insurance or guaranty of loans or for bond reserves; income from investment; money in the economic development fund funds; and all revenues from loans, fees, and charges of the authority are annually appropriated to the agency authority for the accomplishment of its corporate purposes and shall be expended, administered, and accounted for in accordance with the applicable provisions of all bond and note resolutions, indentures, and other instruments, contracts, and agreements of the agency. Notwithstanding section 16A.28, these appropriations are available until expended.
- Sec. 25. Minnesota Statutes 1982, section 116J.91, is amended by adding a subdivision to read:
- Subd. 19a. The authority may receive payments in the form of royalties, dividends, or other compensation in connection with technology-related products, energy conservation products, or other equipment which it has purchased or in which it has participated.
- Sec. 26. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 20, is amended to read:
- Subd. 20. The authority may do all things necessary and proper to fulfill its purpose and the purposes of the economic development fund as provided in sections 116J.65, 116J.67, 116J.88 to 116J.91, sections 116J.921 116J.875 to 116J.926, and chapters 472 and 474.
 - Sec. 27. Minnesota Statutes 1983 Supplement, section 116J.923, subdivi-

sion 7, is amended to read:

- Subd. 7. [LOANS TO MUNICIPALITIES.] The authority shall receive approve applications from municipalities for loans to finance improvements to public buildings for the purpose of energy conservation, reduction of the use of conventional energy sources, or the use of alternative energy resources, and make recommendations thereon to the commissioner of finance, in the event of the authorization and issuance of bonds of the state for this purpose. Financial and technical support for this program shall be provided by the financial management division. This program shall include the district heating loan program established in section 116J.36 and the program of energy improvement loans to schools created by Laws 1983, chapter 323.
- Sec. 28. Minnesota Statutes 1983 Supplement, section 116J.924, subdivision 3, is amended to read:
- Subd. 3. [INSURANCE OF LOANS.] (a) [AUTHORIZATION.] The authority is authorized, upon application by a lender financial institution, to insure loans for cost-effective qualified energy projects as provided in this section; and under terms as the authority may prescribe by rule, to make commitments for the insuring of loans prior to the date of their execution or disbursement.
- (b) [ELIGIBILITY REQUIREMENTS.] The authority may by rule establish requirements for energy loans to be eligible for insurance under this section, relating to:
- (1) maximum principal amount, amortization schedule, interest rate, delinquency charges, and other terms;
 - (2) the portion of the loan to be insured;
 - (3) acceleration and other remedies;
 - (4) covenants regarding insurance, repairs, and maintenance of the project;
- (5) conditions regarding subordination of the loan security, if any, of the project to other liens against the property;
- (6) the aggregate principal amount of loans to be insured in relation to the reserves from time to time on hand in the insurance fund, and priorities as to the loans to be insured; and
 - (7) any other matters determined by the authority.

The authority shall by rule establish criteria for analyzing the cost-effectiveness of projects.

- (c) [CONCLUSIVE EVIDENCE OF INSURABILITY.] Any contract of insurance executed by the authority under this section shall be conclusive evidence of the eligibility of the loan for insurance, and the validity of any contract of insurance properly executed and in the hands of any approved lender shall not be contestable, except for fraud or misrepresentation on the part of the lender financial institution.
- (d) [PREMIUMS.] The authority is authorized to fix premium charges for the insurance of loans under this section at levels which in its judgment, taking into account other amounts available in the fund, will be sufficient to cover and maintain a reserve for loan losses.

- (e) [PROCEDURES UPON DEFAULT.] The authority may establish procedures to be followed by lenders financial institutions and to be taken by the authority in the event of default upon an energy loan, including:
 - (1) time for filing claims;
- (2) rights and interests to be assigned and documents to be furnished by the lender financial institution;
 - (3) principal and interest to be included in the claim; and
- (4) conditions, if any, upon which the authority will pay the entire principal amount in default, after foreclosure and receipt of marketable title to the property.
- Sec. 29. Minnesota Statutes 1983 Supplement, section 116J.925, subdivision 1, is amended to read:

116J.925 [ENERGY LOAN PROGRAM DEVELOPMENT FUND.]

Subdivision 1. [AUTHORITY TO MAKE ENERGY LOANS.] The authority may make energy loans to individuals, partnerships, corporations, or other entities a business for the financing of eapital improvements to be used in connection with a trade or business if the principal purpose of improvement is energy conservation, to reduce the usage of conventional fuels as a source of energy, or to develop Minnesota's alternative energy resources as provided by the authority's rules a qualified energy project.

- Sec. 30. Minnesota Statutes 1983 Supplement, section 116J.925, subdivision 3, is amended to read:
- Subd. 3. [ENERGY DEVELOPMENT FUND.] An energy development fund is created and is eligible to receive appropriations. The authority may irrevocably pledge and appropriate all or a segregated portion of the energy development fund to make principal and interest payments when due on all or one or more series of its obligations for which other funds are not available, pursuant to the terms and conditions the authority shall prescribe. Unless the energy development fund has been pledged and appropriated to secure the obligations, the energy development fund shall not be available to make principal or interest payments on the obligations. The authority may otherwise operate the fund according to section 116J.89.

Sec. 31. [116M.01]

Sections 116J.62; 116J.65; 116J.67; 116J.88; 116J.89; 116J.90; 116J.91; 116J.921; 116J.923; 116J.924; 116J.925; and 116J.926 may be cited as the Minnesota Energy and Economic Development Authority Act.

- Sec. 32. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 12a, is amended to read:
- Subd. 12a. [ENERGY CONSERVATION LEVY.] The school district may annually levy, without the approval of a majority of the voters in the district, an amount equal to the actual costs of the energy conservation investments for the purposes of repaying sufficient to repay the annual principal and interest of the law loan made pursuant to section 116J.37.
- Sec. 33. Minnesota Statutes 1982, section 474.01, subdivision 7, is amended to read:

- Subd. 7. Any municipality or redevelopment agency contemplating the exercise of the powers granted by this chapter may apply to the commissioner of energy, planning and economic development for information, advice, and assistance. The commissioner is authorized to handle such preliminary information in a confidential manner, to the extent requested by the municipality.
- Sec. 34. Minnesota Statutes 1982, section 474.01, subdivision 7a, is amended to read:
- Subd. 7a. No municipality or redevelopment agency shall undertake any project authorized by this chapter, except a project referred to in section 474.02, subdivision 1f, unless its governing body finds that the project furthers the purposes stated in this section, nor until the commissioner of energy, planning and economic development has approved the project, on the basis of preliminary information which the commissioner may require, as tending to further the purposes and policies of this chapter. Approval shall not be deemed to be an approval by the commissioner of energy, planning and economic development or the state of the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued therefor, and the commissioner shall state this in communicating approval.
- Sec. 35. Laws 1983, chapter 323, section 5, subdivision 2, is amended to read:
- Subd. 2. None of the appropriations made in this section shall lapse until the purpose for which it is made has been accomplished or abandoned. The amount of each loan approved for disbursement shall be and remain appropriated for that purpose until the loan is fully disbursed or part or all of it is revoked by the energy division authority.

Sec. 36. [INSTRUCTIONS TO REVISOR.]

Subdivision 1. [CHANGE OF TERMS.] The revisor of statutes shall change the words "development revolving fund" or "revolving fund" to "Minnesota Fund" whenever they appear in Minnesota Statutes, chapter 472.

Subd. 2. [RENUMBERING.] The revisor of statutes shall renumber each section specified in column A with the number in column B. The revisor shall also make the necessary cross-reference changes consistent with this renumbering.

Column A	Column B
116J.62	116M.03
116J.65	116M.04
116J.67	116M.05
116J.88	116M.02
116J.89	116M.06
116J.90	116M.07
116J.91	116M.08
116J.921	116M.09
116J.923	116M.10
116J.924	116M.11
116J.925	116M.12
116J.926	116M.13

Sec. 37. [REPEALER.]

Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1, are repealed."

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

Page 1, line 7, delete "116J.36,"

Page 1, delete line 8

Page 1, line 11, delete the first "subdivisions" and insert "a subdivision"

Page 1, line 19, delete "in" and insert "as" and delete "116L" and insert "116M"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H.F. No. 1774: A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H.F. No. 2180: A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 1293: A bill for an act relating to bicycles; allowing bicycle registrants to donate in excess of the registration fee to pay for costs of administering and publicizing the bicycle registration program and for developing bicycle education programs and recreational facilities and trails; providing criteria for fund allocation to political subdivisions; providing for reports to the legislature; providing for appointment of deputy registrars of bicycles; continuing the bicycle study review commission; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 3, line 25, before the comma, insert "of transportation"
- Page 3, line 29, strike "highways" and insert "public safety"
- Page 4, line 9, after "function" insert "under that name"
- Page 4, line 10, delete "state agencies" and insert "the commissioners of transportation and public safety"

Amend the title as follows:

Page 1, line 11, before the semicolon, insert "as the advisory committee on bikeways and bikeway safety"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Purfeerst from the Committee on Transportation, to which was referred
- S.F. No. 2168: A bill for an act relating to transportation; highways; modifying restrictions on loading of vehicles driven on highways; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 11, reinstate the comma
- Page 1, line 12, delete the new language
- Page 1, line 17, after the period, insert "A vehicle carrying a load of split firewood which protrudes above the sides of the truck or trailer must be securely covered or fastened."
 - Page 1, line 19, after "produce" insert "other than split firewood"

Amend the title as follows:

Page 1, line 2, delete "modifying"

Page 1, delete line 3

Page 1, line 4, delete "highways" and insert "requiring certain loads of firewood to be securely covered or fastened"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

- Mr. Schmitz from the Committee on Local and Urban Government, to which was referred
- S.F. No. 2165: A bill for an act relating to public finance; authorizing additional investment alternatives; providing for the delivery of municipal obligations in certificated or uncertificated form; providing restrictions on the use of certain data; providing a formula for determining limitations on interest rates on municipal obligations; providing an alternative procedure for conducting a public sale of municipal obligations; amending Minnesota Statutes 1982, sections 471.56, by adding a subdivision; 475.55, subdivisions 1, 4, and by adding a subdivision; 475.60, subdivision 3, and by adding

a subdivision; repealing Minnesota Statutes 1982, sections 475.71; and 475.76, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, delete "purchase or"

Page 1, line 24, delete "equal and opposite" and delete "positions" and delete "or sold"

Page 4, line 19, delete "five" and insert "four"

Page 4, line 22, delete "officer or agent" and insert "municipality"

Page 4, line 23, after "notice" insert "as described in the preceding sentence"

Page 5, line 10, after "the" insert "future"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 2149: A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 2

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1442: A bill for an act relating to resident aliens; clarifying the rights and responsibilities of resident aliens with respect to the distribution of economic benefits, militia enlistment, and veterans affairs; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 60A.19, subdivision 7; 64A.10, subdivision 1; 85.018, subdivision 6; 98.45, subdivision 4; 98.47, subdivisions 8 and 15; 137.10; 147.25; 181.59; 184.26, subdivision 3; 190.06, subdivision 3; 197.03; 197.05; 197.447; 197.63, subdivision 1; 198.01; 256E.08, subdivision 10; 340.02, subdivision 8; 340.13, subdivision 12; 340.403, subdivision 3; 359.01; 360.015, subdivision 9; 395.14; 462.525, subdivision 10; 617.34; and 617.35; and Minnesota Statutes 1983 Supplement, section 51A.03, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, after "individuals" reinstate the stricken comma and after the stricken "citizens" insert "residents" and reinstate the stricken "of this state,"

Page 2, lines 7 to 10, delete the new language

- Page 2, line 32, reinstate the stricken language after the stricken "and"
- Page 2, line 33, after the stricken "citizens" insert "residents" and reinstate the stricken "of this state,"
 - Page 3, line 1, delete the new language
 - Page 3, delete lines 2 to 4
 - Page 3, line 5, delete everything before the period
 - Page 4, line 7, strike "citizen of the United States"
- Page 4, lines 7 to 9, delete the new language and insert "resident, as defined in section 97.40, subdivision 21."
- Page 7, line 16, strike "MAY ENLIST" and delete "FEMALES" and insert "NONCOMBATANT SERVICE"
 - Page 7, line 17, strike "female"
- Page 7, lines 18 and 19, delete "able-bodied resident females" and insert "residents of the state"
 - Page 7, line 23, strike "male"
 - Page 14, line 5, strike "any"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1023: A bill for an act relating to probate; adopting provisions of the uniform probate code relating to intestate succession, spouse's elective share, omitted spouses and children, and certain allowances and exempt property; proposing new law coded in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1982, sections 525.13; 525.14; 525.145; 525.15; 525.151; 525.16; 525.17; 525.171 to 525.202; and 525.212 to 525.216.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"PART 1

Section 1. [524.2-101] [INTESTATE ESTATE.]

Except as provided in sections 525.14 and 525.145, and subject to the allowances provided in section 525.15, and the payment of the expenses of administration, funeral expenses, expenses of last illness, taxes, and debts, any part of the estate of a decedent not effectively disposed of by the decedent's will passes to the decedent's heirs as prescribed in sections 2 to 13.

Sec. 2. [524.2-102] [SHARE OF THE SPOUSE.]

The intestate share of the surviving spouse is:

- (1) if there is no surviving issue of the decedent, the entire intestate estate;
- (2) if there are surviving issue all of whom are issue of the surviving spouse

also, the first \$70,000, plus one-half of the balance of the intestate estate;

- (3) if there are surviving issue one or more of whom are not issue of the surviving spouse, one-half of the intestate estate.
- Sec. 3. [524,2-103] [SHARE OF HEIRS OTHER THAN SURVIVING SPOUSE.]

The part of the intestate estate not passing to the surviving spouse under section 2, or the entire intestate estate if there is no surviving spouse, passes as follows:

- (1) to the issue of the decedent; if they are all of the same degree of kinship to the decedent they take equally, but if of unequal degree, then those of more remote degree take by representation;
 - (2) if there is no surviving issue, to his parent or parents equally;
- (3) if there is no surviving issue or parent, to the issue of the parents or either of them by representation;
- (4) if there is no surviving issue, parent, or issue of a parent, to the next of kin in equal degree, except that when there are two or more collateral kindred in equal degree claiming through different ancestors, those who claim through the nearest ancestor shall take to the exclusion of those claiming through an ancestor more remote.

Sec. 4. [524.2-104] [REQUIREMENT THAT HEIR SURVIVE DECEDENT FOR 120 HOURS.]

A person who fails to survive the decedent by 120 hours is deemed to have predeceased the decedent for purposes of homestead allowance, exempt property and intestate succession, and the decedent's heirs are determined accordingly. If the time of death of the decedent or of the person who would otherwise be an heir, or the times of death of both, cannot be determined, and it cannot be established that the person who would otherwise be an heir has survived the decedent by 120 hours, it is deemed that the person failed to survive for the required period. This section is not to be applied where its application would result in a taking of intestate estate by the state under section 5.

Sec. 5. [524.2-105] [NO TAKER.]

If there is no taker under the provisions of sections 2 to 13, the intestate estate passes to the state.

Sec. 6. [524.2-106] [REPRESENTATION.]

If representation is called for by sections 2 to 13, the estate is divided into as many shares as there are surviving heirs in the nearest degree of kinship and deceased persons in the same degree who left issue who survive the decedent, each surviving heir in the nearest degree receiving one share and the share of each deceased person in the same degree being divided among his or her issue in the same manner.

Sec. 7. [524.2-107] [KINDRED OF HALF BLOOD.]

Relatives of the half blood inherit the same share they would inherit if they were of the whole blood.

Sec. 8. [524.2-108] [AFTERBORN HEIRS.]

Relatives of the decedent conceived before his death but born thereafter inherit as if they had been born in the lifetime of the decedent.

Sec. 9. [524.2-109] [MEANING OF CHILD AND RELATED TERMS.]

If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:

- (1) An adopted person is the child of an adopting parent and not of the natural parents except that adoption of a child by the spouse of a natural parent has no effect on the relationship between the child and that natural parent. If a parent dies and a child is subsequently adopted by a stepparent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's issue from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.
- (2) In cases not covered by (1), a person born out of wedlock is a child of the mother. That person is also a child of the father, if:
- (i) the natural parents participated in a marriage ceremony before or after the birth of the child, even though the attempted marriage is void; or
- (ii) the paternity is established by an adjudication before the death of the father or is established thereafter by clear and convincing proof, except that the paternity established under this clause is ineffective to qualify the father or his kindred to inherit from or through the child unless the father has openly treated the child as his, and has not refused to support the child.

Sec. 10. [524.2-111] [DEBTS TO DECEDENT.]

A debt owed to the decedent is not charged against the intestate share of any person except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of the debtor's issue.

Sec. 11. [524,2-112] [ALIENAGE.]

No person is disqualified to take as an heir because he or a person through whom he claims is or has been an alien.

Sec. 12. [524.2-113] [PERSONS RELATED TO DECEDENT THROUGH TWO LINES.]

A person who is related to the decedent through two lines of relationship is entitled to only a single share based on the relationship which would entitle such person to the larger share.

Sec. 13. [524.2-114] [INSTRUMENTS REFERENCING INTESTACY LAWS.]

If a maker has executed a will or other instrument on or before December 31, 1985, which directs disposition of all or part of the estate pursuant to the intestacy laws of the state of Minnesota, the laws to be applied shall be in accordance with the laws of intestate succession in effect on or before December 31, 1985, unless the will or instrument directs otherwise.

ELECTIVE SHARE OF SURVIVING SPOUSE

Sec. 14. [524.2-201] [RIGHT TO ELECTIVE SHARE.]

- (a) If a married person domiciled in this state dies, the surviving spouse has a right of election to take an elective share of one-third of the augmented estate under the limitations and conditions hereinafter stated.
- (b) If a married person not domiciled in this state dies, the right, if any, of the surviving spouse to take an elective share in property in this state is governed by the law of the decedent's domicile at death.

Sec. 15. [524.2-202] [AUGMENTED ESTATE.]

The augmented estate means the estate reduced by funeral and administration expenses, homestead allowance, family allowances and exemptions, liens, mortgages, and enforceable claims, to which is added the sum of the following amounts:

- (1) The value of property transferred by the decedent at any time during the marriage, to or for the benefit of any person other than the surviving spouse, to the extent that the decedent did not receive adequate and full consideration in money or money's worth for the transfer, if the transfer is of any of the following types:
- (i) any transfer under which the decedent retained at the time of death the possession or enjoyment of, or right to income from, the property;
- (ii) any transfer to the extent that the decedent retained at the time of death a power, either alone or in conjunction with any other person, to revoke or to consume, invade or dispose of the principal for his or her own benefit;
- (iii) any transfer whereby property is held at the time of decedent's death by decedent and another with right of survivorship;

Any transfer is excluded if made with the written consent or joinder of the surviving spouse. Property is valued as of the decedent's death.

- (2) The value of property owned by the surviving spouse at the decedent's death, plus the value of property transferred by the spouse at any time during marriage to any person other than the decedent which would have been includible in the spouse's augmented estate if the surviving spouse had predeceased the decedent, to the extent the owned or transferred property is derived from the decedent by any means other than testate or intestate succession or as an obligation of support without a full consideration in money or money's worth. For purposes of this clause:
- (i) Property derived from the decedent includes, but is not limited to, any beneficial interest of the surviving spouse in a trust created by the decedent during the decedent's lifetime, any property appointed to the spouse by the decedent's exercise of a general or special power of appointment also exercisable in favor of others than the spouse, any proceeds of insurance, including accidental death benefits, on the life of the decedent attributable to premiums paid by him, any lump sum immediately payable and the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by him, the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit, or retirement plan, ex-

clusive of the Federal Social Security system, by reason of service performed or disabilities incurred by the decedent, any property held at the time of decedent's death by decedent and the surviving spouse with right of survivorship, any property held by decedent and transferred by contract to the surviving spouse by reason of the decedent's death, and the value of the share of the surviving spouse resulting from rights in community property in this or any other state formerly owned with the decedent. Premiums paid by the decedent's employer, the decedent's partner, a partnership of which the decedent was a member, or the decedent's creditors, are deemed to have been paid by the decedent.

- (ii) Property owned by the spouse at the decedent's death is valued as of the date of death. Property transferred by the spouse is valued at the time the transfer became irrevocable, or at the decedent's death, whichever occurred first. Income earned by included property prior to the decedent's death is not treated as property derived from the decedent.
- (iii) Property owned by the surviving spouse as of the decedent's death, or previously transferred by the surviving spouse, is presumed to have been derived from the decedent except to the extent that the surviving spouse establishes that it was derived from another source.
- (3) The value of property paid to or for the benefit of any person other than the surviving spouse as a result of the decedent's death if the property is any of the following types:
- (i) any proceeds of insurance (including accidental death benefits, but excluding insurance proceeds paid for a bona fide business purpose) on the life of the decedent attributable to premiums paid by the decedent during the marriage,
- (ii) any lump sum immediately payable and the commuted value of the proceeds of annuity contracts under which the decedent was the primary annuitant attributable to premiums paid by the decedent during the marriage, or
- (iii) the commuted value of amounts payable after the decedent's death under any public or private pension, disability compensation, benefit or retirement plan, exclusive of the Federal Social Security system, by reason of service performed or disabilities incurred by the decedent, attributable to premiums or contributions paid by the decedent during the marriage.

For purposes of this clause, any premiums paid by the decedent's employer, the decedent's partner, a partnership of which the decedent was a member, or the decedent's creditors, are deemed to have been paid by the decedent.

Unless the payer of any such property has received written notice of the filing of a petition for the elective share, the property may be paid, upon request and satisfactory proof of the decedent's death, to the designated beneficiary of the property. Payment made discharges the payer from all claims for the amounts paid. The protection here given does not extend to payments made after the payer has received written notice of the filing of a petition for the elective share. Unless the notice is withdrawn by the surviving spouse, the surviving spouse must concur in any demand for withdrawal if the payer is to be protected under this provision.

Sec. 16. [524.2-203] [RIGHT OF ELECTION PERSONAL TO SUR-VIVING SPOUSE.]

The right of election of the surviving spouse may be exercised only during his lifetime by him. In the case of a protected person, the right of election may be exercised only by order of the court in which protective proceedings as to his property are pending, after finding that exercise is necessary to provide adequate support for the protected person during his probable life expectancy.

Sec. 17. [524.2-204] [WAIVER OF RIGHT TO ELECT AND OF OTHER RIGHTS.]

The right of election of a surviving spouse and the rights of the surviving spouse to homestead allowance, exempt property and family allowance, or any of them, may be waived, wholly or partially, after marriage, by a written contract, agreement or waiver signed by the party waiving after fair disclosure. Unless it provides to the contrary, a waiver of "all rights", or equivalent language, in the property or estate of a spouse is a waiver only of the right to elective share. Any waiver prior to marriage must be made pursuant to section 519.11.

Sec. 18. [524.2-205] [PROCEEDING FOR ELECTIVE SHARE; TIME LIMIT.]

- (a) The surviving spouse may elect to take an elective share in the augmented net estate by filing in the court and mailing or delivering to the personal representative, if any, a petition for the elective share within nine months after the date of death, or within six months after the probate of the decedent's will, whichever limitation last expires. However, non-probate transfers, described in section 15, clause (1), shall not be included within the augmented estate for the purpose of computing the elective share, if the petition is filed later than nine months after death. The court may extend the time for election as it sees fit for cause shown by the surviving spouse before the time for election has expired.
- (b) The surviving spouse shall give notice of the time and place set for hearing to persons interested in the estate and to the distributees and recipients of portions of the augmented net estate whose interests will be adversely affected by the taking of the elective share.
- (c) The surviving spouse may withdraw his demand for an elective share at any time before entry of a final determination by the court.
- (d) After notice and hearing, the court shall determine the amount of the elective share and shall order its payment from the assets of the augmented net estate or by contribution as appears appropriate under section 20. If it appears that a fund or property included in the augmented net estate has not come into the possession of the personal representative, or has been distributed by the personal representative, the court nevertheless shall fix the liability of any person who has any interest in the fund or property or who has possession thereof, whether as trustee or otherwise. The proceeding may be maintained against fewer than all persons against whom relief could be sought, but no person is subject to contribution in any greater amount than he would have been if relief had been secured against all persons subject to contribution.

(e) The order or judgment of the court may be enforced as necessary in suit for contribution or payment in other courts of this state or other jurisdictions.

Sec. 19. [524.2-206] [EFFECT OF ELECTION ON BENEFITS BY WILL OR STATUTE.]

A surviving spouse is entitled to the allowances provided in section 525.15 whether or not he or she elects to take an elective share.

Sec. 20. [524.2-207] [CHARGING SPOUSE WITH GIFTS RECEIVED; LIABILITY OF OTHERS FOR BALANCE OF ELECTIVE SHARE.]

- (a) In the proceeding for an elective share, values included in the augmented estate which pass or have passed to the surviving spouse, or which would have passed to the surviving spouse but were renounced, are applied first to satisfy the elective share and to reduce any contributions due from other recipients of transfers included in the augmented estate. For purposes of this paragraph, the electing spouse's beneficial interest in any life estate or in any trust shall be computed as if worth one-half of the total value of the property subject to the life estate, or of the trust estate, unless higher or lower values for these interests are established by proof.
- (b) Remaining property of the augmented estate is so applied that liability for the balance of the elective share of the surviving spouse is equitably apportioned among the recipients of the augmented estate in proportion to the value of their interests therein.
- (c) Only original transferees from, or appointees of, the decedent and their donees, to the extent the donees have the property or its proceeds, are subject to the contribution to make up the elective share of the surviving spouse. A person liable to contribution may choose to give up the property transferred to him or to pay its value as of the time it is considered in computing the augmented estate.

PART 3

SPOUSE AND CHILDREN UNPROVIDED FOR IN WILLS

Sec. 21. [524.2-301] [OMITTED SPOUSE.]

- (a) If a testator fails to provide by will for his surviving spouse who married the testator after the execution of the will, the omitted spouse shall receive the same share of the estate he would have received if the decedent left no will unless it appears from the will that the omission was intentional or the testator provided for the spouse by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.
- (b) In satisfying a share provided by this section, the devises made by the will abate as provided in Minnesota Statutes, section 524.3-902.

Sec. 22. [524.2-302] [PRETERMITTED CHILDREN.]

- (a) If a testator fails to provide in his will for any of his children born or adopted after the execution of his will, the omitted child receives a share in the estate equal in value to that which he would have received if the testator had died intestate unless:
 - (1) it appears from the will that the omission was intentional;

- (2) when the will was executed the testator had one or more children and devised substantially all his estate to the other parent of the omitted child; or
- (3) the testator provided for the child by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.
- (b) If at the time of execution of the will the testator fails to provide in his will for a living child solely because he believes the child to be dead, the child receives a share in the estate equal in value to that which he would have received if the testator had died intestate.
- (c) In satisfying a share provided by this section, the devises made by the will abate as provided in Minnesota Statutes, section 524.3-902.

Sec. 23. [REPEALER.]

Minnesota Statutes 1982, sections 519.06; 525.16; 525.17; 525.171; 525.20; 525.201; 525.202; 525.212; 525.213; 525.214; 525.215; 525.216; and Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173 are repealed.

Sec. 24. [EFFECTIVE DATE.]

This act shall be effective for estates of decedents dying after December 31, 1985."

Amend the title as follows:

Page 1, line 3, after "code" insert "and clarifying laws"

Page 1, line 4, after "share," insert "and" and after "children" delete the comma

Page 1, line 5, delete everything before the semicolon

Page 1, line 7, delete "525.13" and insert "519.06"

Page 1, line 8, delete everything before "525.16;"

Page 1, line 9, delete the first "to" and insert "; 525.20; 525.201;" and delete "and"

Page 1, line 9, before the period, insert "; Minnesota Statutes 1983 Supplement, sections 525.172; and 525.173"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred

S.F. No. 1919: A bill for an act relating to commerce; regulating the sale and operation of video gambling devices; defining terms; providing for the licensing of distributors and operators; requiring location agreements; establishing certain fees; providing for record keeping; prescribing penalties; appropriating money; proposing new law coded in Minnesota Statutes, chapter 349.

Reports the same back with the recommendation that the bill be amended

as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 340.11, subdivision 11a, is amended to read:

Subd. 11a. [ON-SALE LICENSES TO CERTAIN SPORTS COMMIS-SIONS.] Notwithstanding any law or municipal charter provision to the contrary, on-sale licenses for the sale of intoxicating liquor may be issued to establishments located on lands owned by the commission created in sections 473.551 to 473.595 and which are used primarily for sports and recreational purposes upon payment of the regular on-sale license fee therefor to the municipality wherein the licensed premises are located. Such licenses shall authorize the sale of intoxicating liquor to club members and guests only. Notwithstanding any other law, or municipal charter provision or ordinance to the contrary, retail "on-sale" licenses permitting the sale of nonintoxicating malt liquors issued to establishments located on lands owned by the commission created in section 473.553 permit the licensees to sell non-intoxicating malt liquors, in addition to other times permitted by law, between the hours of ten a.m. and twelve noon on any Sunday on which a sports or other event is scheduled to begin at that location at or before one p.m. on that day.

Sec. 2. [349.50] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 2 to 11, the terms defined in this section have the meanings given them.

- Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of public safety.
- Subd. 3. [DEPARTMENT.] "Department" means the department of public safety.
- Subd. 4. [DISTRIBUTOR.] "Distributor" means a person which manufactures, sells, markets, advertises, or otherwise distributes video games of chance.
- Subd. 5. [LOCATION AGREEMENT.] "Location agreement" is an agreement between an operator and an owner for the placement of video games of chance for use by the public.
- Subd. 6. [OPERATOR.] "Operator" means a person which holds legal title to video games of chance and places them for use by the public pursuant to a location agreement.
- Subd. 7. [OWNER.] "Owner" means a person operating a business in which video games of chance are placed for use by the public.
- Subd. 8. [VIDEO GAME OF CHANCE.] "Video game of chance" means games or devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, roulette or other common gambling forms, though not offering any type of pecuniary award or gain to players. The term also includes any video game having one or more of the following characteristics:
- (1) it is primarily a game of chance, and has no substantial elements of skill involved;
 - (2) it awards game credits or replays and contains a meter or device which

records unplayed credits or replays and contains a device that permits them to be cancelled.

Subd. 9. [PRIVATE CLUBS.] "Private clubs" are clubs holding club onsale license issued under section 340.11, subdivision 11.

Sec. 3. [349.51] [DISTRIBUTOR AND OPERATOR LICENSES.]

- Subdivision 1. [LICENSE REQUIRED.] No person shall engage in the business of a distributor or operator of video games of chance at any place of business without first having received a license from the department to engage in that business at that location.
- Subd. 2. [APPLICATION; REQUIREMENTS.] (a) Every application for a license must be made on a form prescribed by the department and must state the name and address of the applicant. If the applicant is a firm, partnership, or association, the application must state the name and address of each of its members. If the applicant is a corporation, the application must state the name and address of each of its officers, the date of incorporation, the address of its principle place of business, the place where the business is to be licensed and business conducted, and information concerning whether or not any officer, director, resident manager, or direct salesman of the applicant has been convicted of a felony or convicted for a gambling offense within the past five years. The application may contain other information the department requires for the purpose of administering sections 1 to 10.
- (b) Every applicant for a license shall be a legal resident or be incorporated within the state of Minnesota prior to the date of application for a distributor or operator license.
- (c) Every applicant shall disclose under oath to the commissioner whether or not the applicant has any financial, legal, or other interests in a licensed wholesale liquor or alcoholic beverage distributorship or video game of chance distributorship in another state.
- (d) No distributor may also be a wholesale distributor of liquor or alcoholic beverages.
- (e) No distributor in this state may also be a distributor in another state, unless the distributor adequately demonstrates that he does not manufacture video games of chance outside of this state for use, sale, or distribution within this state.
- Subd. 3. [FEES.] (a) The annual license fee for a distributor license is \$10,000.
 - (b) The annual license fee for an operator license is \$2,500.
- Subd. 4. [DISTRIBUTOR BOND.] An application for a distributor's license must be accompanied by a corporate surety bond issued by a surety licensed to do business in this state, in the sum of \$10,000, conditioned upon the true and faithful compliance by the distributor with all the provisions of sections 1 to 10. The bond required by this subdivision must be kept in full force during the period covered by the license.
- Subd. 5. [LICENSE ISSUED.] Upon receipt of the application, the bond in proper form, and payment of the license required by subdivision 3, the department shall issue a license in form as prescribed by the department to the

applicant, unless it determines that the applicant is otherwise unqualified. The license permits the applicant to whom it is issued to engage in business as a distributor or operator at the place of business shown in the application. The department must assign a license number to each person licensed at the time the initial license is issued. The license number must be inscribed upon all licenses issued to that distributor or operator.

Sec. 4. [349.52] [VIDEO GAME OF CHANCE LICENSES.]

Subdivision 1. [REQUIREMENTS.] In addition to the license required by section 2, an operator must obtain from the department an annual nontransferable license for each video game of chance. The license fee is \$120 per game. The fee must be prorated according to the number of months remaining in the calendar year at the time of the license application.

- Subd. 2. [COLLECTION.] At the time a video game of chance is sold to an operator, the distributor must collect the license fee specified in subdivision 1. The distributor must affix to each game a stamp containing the operator's license number. All license fees must be given to the state treasurer for deposit in the account created in subdivision 3.
- Subd. 3. [VIDEO GAMING LICENSE ACCOUNT.] There is created in the state treasury an account to be known as the "video gaming license account." All fees received by the state treasury pursuant to this section must be credited to this account. The commissioner shall, by January 10 of each year, certify to the state treasurer the number of video games of chance located in each city, and in each county outside of incorporated areas, on Decmeber 31 of the previous year. Within 10 days of receiving this certification the state treasurer shall pay from the video gaming license account to each city and county \$30 for each video game of chance located in the city or in the county outside city limits. After making these payments he shall transfer the unexpended balance in the account to the general fund.
- Subd. 4. [LOCAL FEES PROHIBITED.] A municipality may not impose a fee or tax of any kind on video gaming devices.

Sec. 5. [349.53] [RECORD KEEPING DUTIES OF DISTRIBUTORS.]

A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including invoices of video games of chance held, purchased, manufactured, brought in or caused to be brought in from outside the state, or shipped or transported to operators in this state, and of all sales of video games of chance made. The distributor must also keep adequate records of the names, addresses, and license numbers of operators to whom video games of chance are sold. All books, records, and other papers and documents required by this section to be kept must be preserved for a period of at least one year after the date of the documents, or the date of their entries as they appear in the records, unless the department, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner or his designated representatives may enter any place of business of a distributor without a search warrant and inspect the premises and the records required to be kept under this section, to determine whether or not all the provisions of this chapter are being fully complied with. If the commissioner or any representative is denied free access or is hindered or interfered with in making an examination, the license

of the distributor at the premises is subject to revocation.

Sec. 6. [349.54] [ACCESS TO GAME.]

The commissioner and his designated representatives must be given access to all video games of chance, whether the games are in the possession of distributors, operators, or owners, upon reasonable notice.

Sec. 7. [349.55] [GAME SPECIFICATIONS.]

No payment may be made directly from any game or in connection with the operation of any device. Each game must contain a random character generator, and any internal meter must be nonresetable. Any game cancelling replays or credits must cancel them no more than one at a time.

Sec. 8. [349.56] [LOCATION AGREEMENTS.]

An operator is required to have a location agreement with the owner where the game is placed for use by the public. The location agreement must show that the game is to be placed only in locations permitted by law. The location agreements, together with the other records of the operator, must be accessible to the commissioner and his designated representatives. The operator is required to certify under oath to the department annually the name and address of the location in which each game has been placed and that the games have been placed only in locations permitted by law. Placing a game in an illegal location is grounds for suspension or revocation of the operator's license.

Sec. 9. [349.57] [PLACEMENT LIMITATIONS.]

Subdivision 1. [NUMERICAL.] No more than two video games of chance may be operated in any location.

Subd. 2. [LOCATIONS.] Video games of chance may be operated only at licensed on-sale intoxicating liquor establishments and private clubs.

Sec. 10. [349.58] [PENALTIES.]

A violation of any of the provisions of sections 1 to 8 is punishable as a misdemeanor.

Sec. 11. [349.59] [CONTRABAND.]

Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:

- (1) all video games of chance which do not have a licensing stamp affixed to them and all containers that contain contraband video games of chance;
- (2) all video games of chance to which the commissioner or his designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner or his designated representatives may seal the game to prevent its use until inspection of contents is permitted;
- (3) all video games of chance at a location at which there is no location agreement in force; and
 - (4) all video games of chance illegally brought into the state.
- Subd. 2. [SEIZURE.] Contraband may be seized by the commissioner or his designated representatives or by any sheriff or other police officer, with

or without process, and is subject to forfeiture as provided in subdivision 3.

Subd. 3. [DISPOSITION OF SEIZED PROPERTY.] The person who has seized the property must follow the procedure set forth under section 297A.15, subdivision 4. Whenever the commissioner is satisfied that any person from whom property is seized under sections 1 to 10 acting in good faith and without intent to evade the tax imposed by those sections, he shall release the property seized without further legal proceedings.

Sec. 12. [349.60] [CONSTRUCTION; OTHER ACTIONS.]

Subdivision 1. [CONSTRUCTION.] Nothing in sections 1 to 12 authorizes any activity in connection with video games of chance which violates sections 349.30 to 349.31 or 609.75 to 609.76.

Subd. 2. [OTHER ACTIONS.] Nothing in sections 1 to 12 precludes civil or criminal actions under any other applicable law or precludes any agency of government from investigating or prosecuting violations of sections 1 to 12 or any law relating to gambling."

Delete the title and insert:

"A bill for an act relating to commerce; permitting nonintoxicating malt liquor to be sold before noon on Sundays in sports facilities; regulating the sale and operation of video games of chance; defining terms; providing for the licensing of distributors and operators; requiring location agreements; establishing certain fees; providing for record keeping; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, section 340.11, subdivision 11a; proposing new law coded in Minnesota Statutes, chapter 349."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 2153: A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 1977: A bill for an act relating to economic development; clarifying provisions relating to the export finance authority; amending Minnesota Statutes 1983 Supplement, sections 17.104, by adding a subdivision; and 17.105, subdivisions 1, 3, 4, and 7.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- H.F. No. 1659: A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- H.F. No. 585: A bill for an act relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms; proposing new law coded as Minnesota Statutes, chapter 324.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 2164: A resolution memorializing Congress to enact H.R. 5081, the Fair Trade in Steel Act of 1984.

Reports the same back with the recommendation that the resolution do pass. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 1754: A bill for an act relating to insurance; no-fault auto; providing uninsured and underinsured motorist coverages; defining terms; amending Minnesota Statutes 1982, sections 65B.43, by adding subdivisions; and 65B.49, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 2, line 4, after the period, insert "The maximum liability of the insurer under the underinsured motorist coverage required shall be the lesser of:
- (1) the difference between the limit of underinsured motorist coverage and the amount paid to the insured by or for any person or organization who may be held legally liable for the bodily injury, or
 - (2) the amount of damages sustained, but not recovered."
- Page 3, line 1, after "coverage" insert "nor the underinsured motorist coverage"

Page 3, after line 3, insert:

"(5) An insurer may make underinsured motorist coverage a part of uninsured motorist coverage with the limit of liability applying separately to each coverage.

(6) After selection of limits by the insured, no insurer nor any affiliated insurer shall be required to notify any policyholder in any renewal or replacement policy, as to the availability of the optional limits. The insured may, subject to the limitations expressed in this section, make a written request for coverage more extensive than that provided on a prior policy.

Sec. 5. [APPLICABILITY.]

Sections 1 to 4 are applicable to any plan of reparation security written to be effective on and after January 1, 1985, and to any renewal effective on and after January 1, 1985."

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Solon from the Committee on Economic Development and Commerce, to which was referred
- S.F. No. 1306: A bill for an act relating to financial institutions; allowing banks and trust companies to establish trust service offices at the location of other banks; proposing new law coded in Minnesota Statutes, chapter 48.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "with the"

Page 1, line 13, delete "approval of the commissioner" and insert "after completing the notification procedure required by this subdivision"

Page 1, line 15, delete "with the approval of the"

Page 1, line 16, delete "commissioner" and insert "after completing the notification procedure required by this subdivision"

Page 1, after line 21, insert:

"Any trust company or state bank permitted to exercise trust powers and a state bank at which a trust service office is to be established pursuant to this act shall jointly file, on forms provided by the commissioner, a notification of intent to establish a trust service office. The notification shall be accompanied by a filing fee of \$100 payable to the commissioner, to be deposited in the general fund of the state. No trust service office shall be established pursuant to this act if disallowed by order of the commissioner within 45 days of the filing of a complete and acceptable notification of intent to establish a trust service office. Any proceedings for judicial review of an order of the commissioner to disallow the establishment of a trust service office under this act shall be conducted pursuant to the provisions of the Administrative Procedure Act relating to judicial review of agency decisions, sections 14.63 to 14.69, and the scope of judicial review in such proceedings shall be as provided therein."

Page 2, line 13, before the period, insert ", and if there is no such newspaper, then at the county seat of the county in which the trust service office is to be located. The notice shall be published once and proof of publication shall be filed with the commissioner immediately after publication of the

notice of filing"

Page 3, after line 9, insert:

"Subd. 4. [SUPERVISION.] Every trust company or state bank permitted to exercise trust powers establishing and operating one or more trust service offices pursuant to this act shall at all times maintain records acceptable to the commissioner regarding transactions originating at such trust service offices and available at its principal office for examination pursuant to sections 46.04 and 46.05."

Page 3, line 10, delete "4" and insert "5"

Page 3, line 17, delete "5" and insert "6"

Page 3, lines 19 and 34, delete "4" and insert "5"

Page 4, line 1, delete "4" and insert "5"

Page 4, delete lines 15 and 16

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1637: A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 3, insert:

"Subd. 3. [CEASE AND DESIST.] If, subsequent to approval, it is determined that a reciprocating state credit union is not in compliance with the criteria of subdivision 2, the commissioner may by order require such reciprocating state credit union to discontinue its Minnesota operations by a date certain. The order would be subject to the procedures applicable to cease and desist proceedings pursuant to sections 46.23 to 46.33 and any rules promulgated thereunder.

Sec. 2. [EFFECTIVE DATE.]

Section I is effective the day following final enactment,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 1814: A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 14, delete "55" and insert "65"

Page 1, line 20, delete "55" and insert "65"

Page 2, line 3, delete "55" and insert "65"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 618: A bill for an act relating to public welfare; providing for the establishment of a state foster care advisory council and local review boards under the jurisdiction of juvenile judges; prescribing conditions of membership and duties of board members; requiring agency cooperation; providing for the adoption of supreme court rules; setting limitations; appropriating money; proposing new law coded in Minnesota Statutes, chapter 260.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CITIZEN REVIEW BOARD PILOT PROJECT.]

Subdivision 1. [PURPOSE.] The purpose of a citizen review board pilot project is to determine (1) the need for and feasibility of establishing a state-wide system of citizen review boards for children placed in substitute care for more than six months; (2) the optimal methods of achieving statewide compliance with the requirements of Public Law 96-272, Sections 427 and 475; (3) a comparison of the citizen review board concept with local social service agency administrative review panels; (4) whether a citizen review facilitates the timely return of children to their birth parents, placement for adoption, or other permanency plans; and (5) whether the citizen review process provides benefits to children that are comparable to those provided by the juvenile court.

- Subd. 2. [PILOT PROJECT; ESTABLISHMENT.] The commissioner of public welfare, hereinafter the commissioner, shall establish a citizen review board pilot project in at least one judicial district to be determined by the commissioner. The citizen review boards shall review one-half of the cases of children in substitute care for more than six months in each project district. The other one-half will be reviewed under existing administrative review procedures.
- Subd. 3. [CITIZEN REVIEW BOARD.] There shall be one citizen review board for every 75 children eligible for review by a citizen board in each project area. Each board shall consist of five members who are residents of the judicial district and have shown an interest in the welfare of children. Each board shall, to the extent feasible, represent the various socio-economic, racial, and ethnic groups of the district in which it serves. At least one member shall be a foster parent. No more than one person may be employed by the department of public welfare, by a child welfare agency, or by the juvenile court. Board members shall be appointed by the commissioner in

consultation with the administrator of the local social services agency and the presiding judge of the juvenile court. Board members shall be required to attend in-service training sessions sponsored by the commissioner. Board members shall be appointed to serve a term that expires June 30, 1987. Appointments to fill vacancies on the board shall be made in the same manner and subject to the same conditions as the initial appointments to the board. Members shall continue to serve until a successor is appointed. Members of the board shall not receive compensation but shall be reimbursed for expenses.

- Subd. 4. [REVIEW.] For purposes of determining what efforts have been made by the supervising agency or child caring institution to carry out the plan for permanent placement of each child subject to review under the project, citizen review boards shall, every six months from the date of the child's initial placement, review the cases of participating children who have resided in public or private foster care for a period of more than six months and who are under the jurisdiction of (1) the commissioner of corrections; (2) the designated social service agency; (3) the commissioner of public welfare pursuant to Minnesota Statutes, section 260.242; or (4) a child placing agency, a facility licensed pursuant to Minnesota Statutes, sections 245.781 to 245.812, a county home school, or a licensed group foster home. All children in care who are subject to citizen board review shall be reviewed within a year and every six months thereafter until the project expires. The review procedure established by this subdivision shall replace administrative reviews required by Minnesota Statutes, section 257.071, subdivision 2, for children reviewed under the pilot project.
- Subd. 5. [RETURN OF CHILDREN TO PARENTS; ADOPTION.] Citizen review boards shall encourage and facilitate the timely return to their birth parents of foster children reviewed under this program or, where appropriate, shall encourage the appropriate agency to initiate procedures to make the child free for adoption and to exert maximum effort to place the child for adoption.
- Subd. 6. [RECOMMENDATIONS TO JUVENILE COURT AND THE LOCAL SOCIAL SERVICES AGENCY.] The citizen review board shall submit to the juvenile court and the local social services agency, within ten days following review of any placement, findings and recommendations regarding the efforts and progress made by the designated local social services agency to carry out the case placement plan established pursuant to Minnesota Statutes, section 257.071, together with any other recommendations regarding the child. The findings and recommendations shall include the date of the next review; the signature of all persons attending the review; documentation of the procedural safeguards as required in Public Law 96-272, Section 475; and any comments the birth parents or the child wish to communicate to the agency or the court.
- Subd. 7. [UNNECESSARY CHANGES IN PLACEMENT.] Citizen review boards shall promote and encourage the department of public welfare and all agencies involved in placing children in foster care to maximize stability and family continuity for children in foster care by discouraging unnecessary changes in the placement of foster children.
 - Subd. 8. [APPROPRIATENESS OF PLACEMENT.] Citizen review

boards shall review foster care placements and family recruitment policies of agencies involved in placing children for adoption to ensure that the best interests of minority children are met by having due consideration given to their racial and ethnic heritage.

- Subd. 9. [INFORMATION ON RIGHTS.] Citizen review boards shall assist the local social services agencies in informing birth parents, foster parents, and other interested parties of their rights and responsibilities with respect to any child in foster care. Birth parents, foster parents, the child, and other interested parties shall be allowed to participate in the review process.
- Subd. 10. [DEFICIENCY REPORTS.] Citizen review boards shall report to the department of public welfare, the local social services agency, and other adoptive or foster care agencies deficiencies in the agencies' efforts to secure permanent homes for children whose cases have been reviewed by the board.
- Subd. 11. [AGENCY COOPERATION; DATA PRIVACY REQUIRE-MENTS.] All public and private agencies and institutions that provide or arrange foster care services for children shall cooperate with the citizen review boards by furnishing information required for effective implementation of this section. Information in the possession of a public agency or institution shall be provided pursuant to Minnesota Statutes, section 13.05, subdivision 9, and shall retain the same classification in the possession of a citizen review board as it had in the possession of the public agency or institution. Information supplied by a private agency or institution that identifies an individual shall not be disclosed or disseminated by a citizen review board for any purpose except as required to implement this section.
- Subd. 12. [LIMITATIONS.] This section shall not be construed to limit or delay actions by agencies or institutions to arrange for adoptions, foster care, termination of parental rights, or other related matters on their own initiative; or to alter or restrict the duties and authority of those agencies and institutions in those matters.
- Subd. 13. [REVIEW; REPORT.] The commissioner shall monitor each pilot project. The commissioner, the local social services agency, and the presiding judge of the juvenile court in each project area shall review the quality, efficiency, and effectiveness of the pilot project. The commissioner shall evaluate the projects and report to the legislature by November 15, 1986. The report shall include: (1) a comparison of the citizen review board process and the local social services agency administrative review panels; (2) the cost-effectiveness of the citizen review board; (3) the effect upon the numbers of children in substitute care for longer than six months; (4) the number of children served; (5) the extent of compliance with federal requirements; (6) the quality and efficiency of the citizen review board pilot projects; and (7) recommendations regarding establishment of citizen review boards statewide in order to maximize achievement of statewide compliance with requirements of Public Law 96-272, Sections 427 and 475.

Sec. 2. [RULES OF THE DEPARTMENT.]

For purposes of the pilot projects the department of public welfare shall promulgate temporary or permanent rules necessary to implement section 1.

Sec. 3. [APPROPRIATION.]

There is appropriated from the general fund to the department of public welfare for the biennium ending June 30, 1985, the sum of \$...... for the purposes of sections 1 and 2 and to facilitate county compliance with applicable requirements of section 1."

Amend the title as follows:

Page 1, line 3, delete everything after "a" and insert "citizen review board pilot project for children placed in substitute care;"

Page 1, delete line 4

Page 1, line 5, delete "juvenile judges;"

Page 1, line 7, delete everything after the semicolon and insert "requiring a report to the legislature;"

Page 1, line 8, delete everything before "appropriating" and after "money" delete the semicolon and insert a period

Page 1, delete lines 9 and 10

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1451: A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; and Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, delete section 1

Page 4, line 4, delete "3 to 8" and insert "2 to 7"

Page 4, line 7, after "or" insert "to"

Page 4, after line 23, insert:

"Subd. 6. [LENDER.] "Lender" means a person in the business of lending money."

Page 4, line 25, delete "financial"

Page 4, line 26, delete "institution" and insert "lender"

Page 5, line 2, delete "lien" and insert "lien-notification"

Page 5, line 3, delete "5" and insert "4"

Renumber the subdivisions in sequence

Page 5, line 10, delete "AGRICULTURAL INPUT LIEN; REQUIRE-MENTS;" and insert "NOTIFICATION; LIEN-NOTIFICATION STATE-MENT; EFFECT OF NOTIFICATION.]"

Page 5, delete line 11

- Page 5, line 12, delete "OF AN AGRICULTURAL PRODUCTION" and insert "TO LENDER.]"
 - Page 5, line 13, delete "INPUT LIEN.]"
- Page 5, delete lines 14 to 17 and insert "production input lien by providing a lien-notification statement to the lender in an envelope marked "IMPORTANT-LEGAL NOTICE". The notice must be made by certified mail or another verifiable method."
 - Page 5, line 25, delete "that was furnished"
 - Page 5, line 29, delete "legal description or the"
- Page 6, delete lines 10 and 11 and insert "of credit the rights of the lender and the supplier are not affected."
 - Page 6, line 25, delete everything after the period
- Page 6, delete lines 26 and 27 and insert "Agricultural production input liens are a security interest and have priority according to chapter 336, the uniform commercial code, except as provided in subdivision 5."
 - Page 6, line 33, delete "no crops"
 - Page 6, line 34, delete "exist" and insert "crops are not planted"
 - Page 7, line 12, delete "is"
- Page 7, delete lines 13 to 16 and insert "may not exceed the amount, if any, that the sales price of the livestock exceeds the greater of the fair market value of the livestock at the time the lien attaches or the acquisition price of the livestock."
 - Page 7, line 20, delete "verified"
 - Page 7, line 29, after "shall" insert "file and"

Renumber the sections in sequence

Amend the title as follows:

- Page 1, line 2, after the semicolon, insert "including all liens on file in abstract by the county recorder;"
 - Page 1, line 3, after "establishing" insert "a procedure for"
 - Page 1, line 5, delete everything after the semicolon
 - Page 1, line 6, delete everything before "proposing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was re-referred
- S.F. No. 924: A bill for an act relating to marriage dissolution; allowing separate summary judgment on the issue of dissolution; removing a conclusive presumption that each spouse made substantial contribution to acquiring certain property; excluding mediators' information except on consent of the parties; providing for deposing of investigators; amending Minnesota Statutes 1982, sections 518.13, by adding a subdivision; 518.167; and 518.58.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, line 26, delete "being deposed and to" and delete "under" and insert "in accordance with the requirements of"

Pages 2 to 4, delete section 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "allowing separate"

Page 1, delete lines 3 to 5

Page 1, line 6, delete "property;"

Page 1, line 9, delete everything before "518.167" and insert "section" and delete "; and"

Page 1, line 10, delete "518.58"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1560: A bill for an act relating to crimes; subjecting certain property to forfeiture if exchanged for or associated with controlled substances; conforming definitions with other statutes; amending Minnesota Statutes 1982, section 152.19, subdivisions 1, 2, 4, 5, and 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 33, delete "242.19" and insert "152.19"

Page 4, line 13, after "agency" insert "that handled the forfeiture"

Page 4, line 30, before "Proceeds" insert "One-third of the"

Page 4, line 32, reinstate the stricken language

Page 4, line 33, reinstate everything before the first stricken "of"

Page 4, line 34, reinstate everything after the stricken "proceeds"

Page 4, lines 35 and 36, reinstate the stricken language

Page 5, line 1, reinstate everything before the stricken "half" and after the stricken "half" insert "two-thirds" and reinstate the stricken "of net"

Page 5, line 2, reinstate the stricken "proceeds shall be"

Page 5, line 3, before "and" insert "the forfeiture proceeding"

Page 5, line 15, delete "1983" and insert "1984"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2125: A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c: 115.071, subdivision 2b: 116J.28, subdivision 3: 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 116J.28; 256.482, subdivision 2, repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8: 207. sections 6 and 42; 248, section 3; 253, section 22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 2046: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.55; 16A.65, subdivision 6; 16A.132; 16A.52; 16A.55; 1

division 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1314: A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article IV, section 23; article V, sections 1, 3, and 4; article VII, section 8; article VIII, section 2; article XI, sections 6, 7, 8, and 10; and article XIII, section 11; combining the offices of state treasurer, state auditor, and secretary of state into the office of state comptroller; providing that the first comptroller would be elected in 1986.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 120: A bill for an act relating to local government; authorizing counties or cities to enact ordinances against trespassing under certain conditions; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 471.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 1842: A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1492: A bill for an act relating to marriage dissolution; providing for determination and modification of child support; changing laws relating to docketing of judgments for support and maintenance; providing for withholding of support and maintenance from retirement and annuity benefits; providing for the vacating of liens of certain judgments; amending Minnesota Statutes 1982, sections 257.66, by adding a subdivision; 353.15; 354.10; 518.55; 548.13; and 548.17; and Minnesota Statutes 1983 Supplement, sections 256.87, by adding a subdivision; 352.15, subdivision 1; 352B.071; 354A.11; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 548.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 18, insert:

"Section 1. Minnesota Statutes 1982, section 69.62, is amended to read:

69.62 [PENSION PAYMENTS EXEMPT FROM GARNISHMENT PROCESS.]

No payment made or to be made by any fire department relief association in a city of the first class under the provisions of section 69.25 to any member of the pension roll shall be subject to judgment, garnishment, execution, or other legal process, except as provided in section 518.611; and no person entitled to this payment shall have the right to assign the same, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned."

- Page 1, line 27, delete "518.551, subdivision 5" and insert "25"
- Page 2, lines 5 and 6, delete "518.551, subdivision 5" and insert "25"
- Page 2, line 12, after "subject" insert "to any state estate tax, or"
- Page 2, line 14, strike "or to any state"
- Page 2, line 15, strike everything before the period and insert "except as provided in section 518.611"
- Page 2, line 32, before the period, insert ", except as provided in section 518.611"
 - Page 3, line 2, after "subject" insert "to any state estate tax, or"
 - Page 3, line 4, strike "or to any state estate"
- Page 3, line 5, strike "tax" and insert "except as provided in section 518.611"
- Page 3, line 33, after the first "from" insert "taxation under chapter 291 and from"
- Page 3, lines 33 and 34, strike "and from taxation under chapter 291" and insert ", except as provided in section 518.611"
- Page 4, line 30, before the comma, insert ", except as provided in section 518.611"

Page 4, after line 32, insert:

"Sec. 9. Minnesota Statutes 1982, section 422A.24, is amended to read:

422A.24 [ALLOWANCES NOT ASSIGNABLE OR SUBJECT TO $\stackrel{\hbox{\scriptsize EX-}}{\hbox{\scriptsize ECUTION}}$ PROCESS.]

No moneys payable pursuant to chapter 422A shall be assignable either in law or equity or be subject to execution, levy, attachment, garnishment, or other legal process, except as provided in section 518.611, nor shall any of the proceeds of payments due pursuant to this chapter be subject to the inheritance tax provisions of this state upon transfer to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit.

- Sec. 10. Minnesota Statutes 1982, section 423.39, is amended to read:
- 423.39 [FUNDS EXEMPT FROM EXECUTION.]

All payments made or to be made by any such policemen's relief association under any of the provisions of Laws 1947, Chapter 625, shall be totally exempt from garnishment, execution, or other legal process, except as provided in section 518.611, and no persons entitled to such payment shall have the right to assign the same, nor shall the association have authority to recognize any assignment, or to pay any sum on account thereof; and any attempt to transfer any such right or claim, or any part thereof, shall be absolutely void.

Sec. 11. Minnesota Statutes 1982, section 423.61, is amended to read:

423.61 [PENSION EXEMPT FROM LEGAL PROCESS.]

All payments made or to be made by any such policemen's relief association under any of the provisions of sections 423.41 to 423.62 shall be totally exempt from garnishment, execution, or other legal process, except as provided in section 518.611, and no persons entitled to such payment shall have the right to assign the same, nor shall the association have authority to recognize any assignment, or to pay any sum on account thereof; and any attempt to transfer any such right or claim, or any part thereof, shall be absolutely void.

Sec. 12. Minnesota Statutes 1982, section 423.813, is amended to read:

423.813 [PAYMENTS EXEMPT FROM PROCESS, ASSIGNMENT FORBIDDEN.]

Any payment made by the association under any provision of sections 423.801 to 423.814 is exempt from any legal process, except as provided in section 518.611. No person entitled to any such payment may assign the same. The association may not recognize any assignment or pay any sum on account thereof.

Sec. 13. [423A.16] [EXEMPTION FROM ASSIGNMENTS; PROCESS.]

Notwithstanding any law to the contrary, none of the moneys, annuities, or other benefits provided by any police or salaried firefighter's relief association shall be assignable in law or in equity, nor be subject to execution, levy, attachment, garnishment, or other legal process, except as provided in section 518.611.

Sec. 14. Minnesota Statutes 1982, section 424.27, is amended to read:

424.27 [PAYMENTS EXEMPT FROM LEGAL PROCESS.]

All payments made or to be made by any relief associations under any of the provisions of sections 424.01 to 424.29 shall be totally exempt from garnishment, execution, or other legal process, except as provided in section 518.611, and no persons entitled to such payment shall have the right to assign the same, nor shall the association have authority to recognize any assignment, or to pay any sum on account thereof; and any attempt to transfer any such right or claim or any part thereof shall be void.

Sec. 15. Minnesota Statutes 1983 Supplement, section 424A.02, subdivision 6, is amended to read:

Subd. 6. [PAYMENT OF SERVICE PENSIONS; NONASSIGNABIL-ITY.] The method of calculating service pensions shall be applied uniformly,

except as otherwise provided in this section. No service pension shall be paid to any person while the person remains an active member of the respective fire department, and no person who is receiving a service pension shall be entitled to receive any other benefits from the special fund of the relief association. No service pension or ancillary benefits paid or payable from the special fund of a relief association to any person receiving or entitled to receive a service pension or ancillary benefits shall be subject to garnishment, judgment, execution or other legal process, except as provided in section 518.611. No person entitled to a service pension or ancillary benefits from the special fund of a relief association may assign any service pension or ancillary benefit payments, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned."

Page 4, line 35, strike "shall not" and insert "may"

Page 5, line 3, delete "without first" and insert "only after"

Page 5, line 4, delete "without"

Page 5, line 32, delete "to"

Page 5, line 33, delete "518.551, subdivision 5" and insert "25"

Page 6, line 29, strike "and over" and insert "- 6000"

Page 6, after line 29, insert:

"Guidelines for support for an obligor with a monthly income of \$6001 or more shall be the same dollar amounts as provided for in the guidelines for an obligor with a monthly income of \$6000."

Page 7, line 3, before "Dependent" insert "Cost of"

Page 7, line 5, before "Individual" insert "Cost of"

Page 7, line 6, after "or" insert "an Equivalent Amount for Actual"

Page 7, line 7, strike "Expense Deductions" and insert "Expenses"

Page 7, line 8, strike everything before the period

Page 8, line 1, delete "(2)" and insert "(3)"

Page 8, line 5, before "Any" insert "The court shall order child support in accordance with the guidelines and any departure therefrom." and after "Any" insert "further"

Page 8, line 8, delete "established" and insert "ordered"

Page 8, line 9, delete "guidelines, or a higher amount as the" and delete "may set"

Page 8, after line 12, insert:

"Where payment of debt is ordered pursuant to this section, the payment shall be ordered to be in the nature of child support."

Page 9, line 6, after "(c)" insert a comma

Page 9, line 23, delete "518.551, subdivision 5" and insert "25"

Page 10, line 4, delete "518.551, subdivision 5" and insert "25"

Page 10, after line 16, insert:

"Sec. 23. Minnesota Statutes 1983 Supplement, section 548.09, subdivision 3, is amended to read:

Subd. 3. [VIOLATIONS BY CLERK.] If the clerk violates this provision, neither the judgment nor the docketing is invalid, but the clerk shall be liable to a person damaged by the violation in the sum of \$5."

Page 10, line 23, delete "spousal"

Page 10, line 30, delete "certified" and delete ", return receipt reauested."

Page 11, lines 22 and 34, delete "spousal"

Page 12, line 1, delete "spousal"

Page 13, line 10, delete "spousal"

Page 13, line 11, delete "354.10" and insert "25"

Page 13, after line 23, insert:

"Sec. 27. [REPEALER.]

Laws 1931, chapter 48, section 5; Laws 1935, chapter 192, section 4; Laws 1943, chapter 397, section 26; Laws 1945, chapter 74, section 5; Laws 1947, chapter 43, section 26; Laws 1949, chapters 87, section 29: 144. section 26; 378, section 26; and 406, section 7, subdivision 3, as amended by Laws 1953, chapter 127, section 7, and Laws 1965, chapter 520, section 1; Laws 1953, chapters 91, section 12; 348, section 22; and 399, section 26; Laws 1955, chapters 75, section 27, as amended by Laws 1965, chapter 190. section 1, and Laws 1969, chapter 138, section 1; 151, section 17; and 375, section 28; Laws 1959, chapter 131, section 22; Laws 1961, chapters 343, section 22, as amended by Laws 1967, chapter 702, section 6; and 631, section 4; Laws 1963, chapters 443, section 22; and 643, section 23; Laws 1965, chapter 605, section 28; Laws 1971, chapter 51, section 14, subdivision 16; Laws 1973, chapter 432, section 7, subdivision 2; Laws 1974, chapter 382, section 7, subdivision 2; Laws 1977, chapter 374, section 15; and Laws 1982, chapter 610, section 18, are repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after "sections" insert "69.62;"

Page 1, line 10, after "354.10;" insert "422A.24; 423.39; 423.61; 423,813; 424,27;"

Page 1, line 12, after "354A.11;" insert "424A.02, subdivision 6;"

Page 1, line 15, delete "subdivision 1" and insert "subdivisions 1 and 3"

Page 1, line 16, delete "chapter" and insert "chapters 423A and"

Page 1, line 16, before the period, insert "; repealing Laws 1931, chapter 48, section 5; Laws 1935, chapter 192, section 4; Laws 1943, chapter 397, section 26; Laws 1945, chapter 74, section 5; Laws 1947, chapter 43, section 26: Laws 1949, chapters 87, section 29; 144, section 26; 378, section 26; and

406, section 7, subdivision 3, as amended; Laws 1953, chapters 91, section 12; 348, section 22; and 399, section 26; Laws 1955, chapters 75, section 27, as amended; 151, section 17; and 375, section 28; Laws 1959, chapter 131, section 22; Laws 1961, chapters 343, section 22, as amended; and 631, section 4; Laws 1963, chapters 443, section 22; and 643, section 23; Laws 1965, chapter 605, section 28; Laws 1971, chapter 51, section 14, subdivision 16; Laws 1973, chapter 432, section 7, subdivision 2; Laws 1974, chapter 382, section 7, subdivision 2; Laws 1977, chapter 374, section 15; and Laws 1982, chapter 610, section 18"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Spear from the Committee on Judiciary, to which was referred
- S.F. No. 1680: A bill for an act relating to marriage; authorizing a married woman to use her former surname; proposing new law coded in Minnesota Statutes, chapters 325G and 517.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 10, after "her" insert "current or" and after "surname" delete "or"
 - Page 1, line 11, delete "married name"
 - Page 1, line 13, delete "her" and insert "a"
- Page 1, line 14, after the period, insert "Refusal to issue a credit card pursuant to this section constitutes an unfair discriminatory practice under section 363.03, subdivision 8."
 - Page 1, delete lines 15 to 24 and insert:
- "Sec. 2. Minnesota Statutes 1982, section 363.03, subdivision 8, is amended to read:
- Subd. 8. [CREDIT; SEX DISCRIMINATION.] It is an unfair discriminatory practice:
- (1) to discriminate in the extension of credit to a person because of sex or marital status;
- (2) for a credit card issuer to refuse to issue a credit card to a woman under her current or former surname unless there is an intent to defraud or mislead, except that a credit card issuer may require that a woman requesting a card under a former surname open a separate account in that name. A credit card issuer may also require disclosure of any other names under which the credit card applicant may have a credit history.
- Sec. 3. Minnesota Statutes 1982, section 363.03, is amended by adding a subdivision to read:
- Subd. 8a. [BUSINESS; SEX DISCRIMINATION.] It is an unfair discriminatory practice for a person engaged in a trade or business or in the provision of a service to refuse to do business with or provide a service to a woman based on her use of her current or former surname. It is an unfair

discriminatory practice for a person to impose, as a condition of doing business with or providing a service to a woman, that a woman use her current surname rather than a former surname."

Delete the title and insert:

"A bill for an act relating to discrimination; authorizing a woman to use a current or former surname for purposes of credit or business; prohibiting discrimination on the basis of use of a current or former surname; amending Minnesota Statutes 1982, section 363.03, subdivision 8, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 325G."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1776: A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium become permanent law; applying moratorium to holders of any mortgage or contract for deed to homestead property; abolishing exclusionary provision; allowing mortgagor to petition for postponement of foreclosure sale for up to 12 months; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; abolishing sunsetting provision; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.04; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, reinstate the stricken language

Page 1, line 23, reinstate the stricken "to May 1," and after the stricken "1984" insert "1985"

Page 1, line 24, after the period, insert "The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12."

Page 1, line 27, reinstate the stricken language

Page 2, line 1, reinstate the stricken "and prior to May 1," and after the stricken "1984" insert "1985,"

Page 2, line 5, after the period, insert "The notice shall include a statement that the borrower may be eligible for an extension of the time prior to fore-closure and execution sale under sections 583.01 to 583.12."

Page 2, line 9, reinstate the stricken language

Page 2, line 14, reinstate the stricken "and prior to May 1," and after the stricken "1984" insert "1985"

Page 2, line 15, strike "four" and insert "eight"

Page 2, line 22, reinstate the stricken language

Page 2, line 24, reinstate the stricken language and delete the new language

Page 2, lines 32 to 36, reinstate the stricken language

Page 3, lines 1 to 4, reinstate the stricken language

Pages 3 and 4, delete section 5

Page 5, line 16, reinstate the stricken language and delete the new language

Page 5, line 17, reinstate the stricken "repealed effective July 1," and after the stricken "1984" insert "1985" and reinstate the stricken ", but"

Page 5, line 18, reinstate the stricken language

Page 5, line 19, reinstate the stricken language and delete the new language

Page 5, line 20, delete the new language

Page 5, line 22, delete "8" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "become permanent law" and insert "shall not be repealed until May 1, 1985"

Page 1, delete lines 4 to 7

Page 1, line 8, delete "months;"

Page 1, line 11, delete "abolishing"

Page 1, line 12, delete "sunsetting provision;"

Page 1, line 14, delete "583.04;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1778 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1778 1627

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1786 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be

given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1786 1431

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1856 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1856 1801

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1633 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1633 1835

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1655 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1655 1758

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1655 be amended as follows:

- Page 4, line 14, delete the comma and insert a semicolon and delete the semicolon after "and"
 - Page 4, line 16, delete "five" and insert "5"
- Page 4, line 17, delete the comma after "surplus" and delete the comma after "profits" and insert a semicolon and delete the semicolon after "and"
 - Page 4, line 19, insert "clauses" before "(a)"
 - Page 4, line 20, delete the comma after "to"
- Page 4, line 25, delete the comma and insert a semicolon and delete the semicolon after "and"
- Page 4, line 28, delete the comma and insert a semicolon and delete the semicolon after "and"
 - Page 4, line 29, before "(a)" insert "clauses"
 - Page 4, line 32, before "(c)" insert "clause"
- Page 4, line 33, delete the comma and insert a semicolon and delete the semicolon after "and"
 - Page 4, line 34, insert "clauses" before "(a)"
 - Page 14, line 26, delete "driver's" and insert "drivers"
 - Page 26, line 19, delete "27" and insert "26"

Amend the title as follows:

Page 1, line 32, delete "and"

And when so amended H.F. No. 1655 will be identical to S.F. No. 1758, and further recommends that H.F. No. 1655 be given its second reading and substituted for S.F. No. 1758, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1347 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1347 1318

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1347 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [518.177] [NOTIFICATION REGARDING DEPRIVATION OF PARENTAL RIGHTS LAW.]

Every court order, whether temporary or final, concerning custody of or visitation with a child or stepchild under the age of 18 shall summarize and

provide notice to parents, stepparents, or guardians of the provisions of section 609.26.

- Sec. 2. Minnesota Statutes 1982, section 609.26, is amended to read:
- 609.26 [OBTAINING OR RETAINING A CHILD DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS.]

Subdivision 1. Whoever intentionally takes, detains or fails to return does any of the following acts is guilty of a felony and may be sentenced as provided in subdivision 5:

- (1) conceals his own child or stepchild under the age of 18 years in violation of an existing court order which grants another person rights of custody may be sentenced as provided in subdivision 5 from the other parent, stepparent, or a legal custodian, where the action manifests an intent substantially to deprive that parent, stepparent, or custodian of his rights to the child;
- (2) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 in violation of a court order which has transferred legal custody under chapter 260 to the commissioner of public welfare, a child placing agency, or the county welfare board;
- (3) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to the parent, stepparent, or person having legal custody or visitation rights under a court order, where the action manifests an intent substantially to deprive that parent, stepparent, or legal custodian of his rights to the child; or
- (4) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to a parent or stepparent after being served with process in an action affecting marriage but prior to the issuance of a temporary or final order determining custody or visitation rights, where the action manifests an intent substantially to deprive that parent or stepparent of his rights to the child.
- Subd. 2. [DEFENSES.] Whoever detains or fails to return a child under the age of 18 years knowing that the physical custody of the child has been obtained or retained by another in violation of subdivision 1 may be sentenced as provided in subdivision 5. No person violates subdivision 1 if the action:
- (1) is taken to protect the child or the person taking the action from imminent physical harm or sexual assault;
- (2) is consented to by the parent, stepparent, or legal custodian seeking prosecution; or
 - (3) is otherwise authorized by a court order.

The defenses provided in this subdivision are in addition to and do not limit other defenses available under this chapter or chapter 611.

- Subd. 3. [VENUE.] A person who violates this section may be prosecuted and tried either in the county in which the child was taken, concealed, or detained or in the county of lawful residence of the child.
- Subd. 4. [RETURN OF CHILD; COSTS.] A child who has been concealed, obtained, or retained in violation of this section shall be returned to the person having lawful custody of the child or shall be taken into custody

pursuant to section 260.165, subdivision 1, paragraph (c), clause (2). In addition to any sentence imposed, the court may assess any expense incurred in returning the child against any person convicted of violating this section. The court may direct the appropriate county welfare agency to provide counseling services to a child who has been returned pursuant to this subdivision.

- Subd. 5. [PENALTY.] Whoever violates this section may be sentenced as follows:
- (1) To imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both, if he voluntarily returns the child within 14 days after he takes, detains or fails to return the child in violation of this section; or
- (2) Otherwise to imprisonment for not more than one year and one day or to payment of a fine of \$1,000 \$3,000, or both.
- Subd. 6. [REPORTING OF DEPRIVATION OF PARENTAL RIGHTS.] Any violation of this section shall be reported pursuant to section 3.
- Sec. 3. Minnesota Statutes 1982, section 626.556, is amended by adding a subdivision to read:
- Subd. 3a. [REPORT OF DEPRIVATION OF PARENTAL RIGHTS.] A person mandated to report under subdivision 3, who knows or has reason to know of a violation of section 609.26, shall report the information to the local police department or the county sheriff. Receipt by a local welfare agency of a report or notification of a report of a violation of section 609.26 shall not be construed to invoke the duties of subdivisions 10, 10a, or 10b of this section.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 3 are effective August 1, 1984. Section 2 is effective August 1, 1984, and applies to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting a person from depriving another of parental, custodial, or visitation rights; imposing penalties; providing for notification in custody or visitation orders of the deprivation of parental rights laws; requiring violations of the parental rights law to be reported under the child abuse reporting law; imposing a penalty; amending Minnesota Statutes 1982, sections 609.26; and 626.556, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 518."

And when so amended H.F. No. 1347 will be identical to S.F. No. 1318 and further recommends that H.F. No. 1347 be given its second reading and substituted for S.F. No. 1318, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1911 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1911 2128

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1911 be amended as follows:

Page 1, line 11, delete "and convey" and insert "by private sale"

Page 1, line 13, delete "thereof" and insert ", including improvements,"

And when so amended H.F. No. 1911 will be identical to S.F. No. 2128, and further recommends that H.F. No. 1911 be given its second reading and substituted for S.F. No. 2128, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1325 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS
H.F. No. S.F. No. H.F. No. S.F. No. 1325

CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1325

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1325 be amended as follows:

Page 1, line 14, strike "judge of the district or county or county municipal"

Page 1, line 15, strike "court", delete the new language and insert "person"

And when so amended H.F. No. 1325 will be identical to S.F. No. 1320, and further recommends that H.F. No. 1325 be given its second reading and substituted for S.F. No. 1320, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1562 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1562 1519

Pursuant to Rule 49, the Committee on Rules and Administration recom-

mends that H.F. No. 1562 be amended as follows:

Page 1, line 12 to page 3, line 33, delete sections 1 and 2

Page 4, line 11, before "in" insert "residing"

Page 4, line 17, delete everything after the first "commissions"

Page 4, delete lines 18 to 21

Page 4, line 22, delete everything before the period

Page 5, line 18, delete "still" and delete everything after "unpaid"

Page 5, line 19, delete everything before the period

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete lines 6 and 7

Page 1, line 8, delete everything before "proposing".

And when so amended H.F. No. 1562 will be identical to S.F. No. 1519, and further recommends that H.F. No. 1562 be given its second reading and substituted for S.F. No. 1519, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1801 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1801 1699

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1801 be amended as follows:

Page 5, line 34, after "(4)" insert "who are" and after "engaged in" insert "the"

Page 6, line 1, after "remodeling" insert a comma

Page 8, line 22, delete "3" and insert "I"

And when so amended H.F. No. 1801 will be identical to S.F. No. 1699, and further recommends that H.F. No. 1801 be given its second reading and substituted for S.F. No. 1699, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1293, 2168, 2165, 2149, 1442, 1023, 2153, 1977, 2164, 1754,

1306, 1637, 1814, 1451, 924, 1560, 2125, 2046, 120, 1842, 1492, 1680 and 1776 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1774, 1659, 585, 1778, 1786, 1856, 1633, 1655, 1347, 1911, 1325, 1562 and 1801 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Bertram moved that the names of Messrs. Peterson, C.C. and Pehler be added as co-authors to S.F. No. 1398. The motion prevailed.

Mr. Davis moved that the names of Messrs. Willet and DeCramer be added as co-authors to S.F. No. 1722. The motion prevailed.

Mr. Johnson, D.E. introduced—

Senate Resolution No. 102: A Senate resolution congratulating George Nelson for his participation in the latest Challenger space shuttle mission.

Referred to the Committee on Rules and Administration.

Mr. Laidig introduced—

Senate Resolution No. 103: A Senate resolution congratulating the Ponies girls basketball team from Stillwater High School for participating in the 1984 Class AA Girls State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mr. Peterson, R.W. moved that S.F. No. 989 be taken from the table. The motion prevailed.

S.F. No. 989: A bill for an act relating to collection and dissemination of data: classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

Mr. Peterson, R.W. moved that S.F. No. 989 and the recommendations and Conference Committee Report thereon be re-referred to the Conference Committee as formerly constituted for further consideration. The motion prevailed.

Mr. Jude moved that S.F. No. 1757 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Jude moved that the Senate concur in the amendments by the House to

- S.F. No. 1757 and that the bill be placed on its repassage as amended. The motion prevailed.
- S. F. No. 1757: A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 156A.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Pehler	Spear
Anderson	Frank	Langseth	Peterson, C.C.	Storm
Belanger	Frederick	Lantry	Peterson, D.C.	Stumpf
Benson	Frederickson	Lessard	Peterson, D.L.	Taylor
Berglin	Freeman	Luther	Peterson, R.W.	Ulland
Bertram	Hughes	McQuaid	Petty	Vega
Brataas	Isackson	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.E.	Merriam	Ramstad	Wegscheid
Davis	Jude	Moe, R. D.	Reichgott	Willet
DeCramer	Kamrath	Nelson	Samuelson	
Dicklich	Knaak	Novak	Schmitz	
Diessner	Kroening	Olson	Solon	

So the bill, as amended, was repassed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

H.F. No. 1985: A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

Pursuant to Rule No. 9, there being three objectors, H.F. No. 1985 was stricken from the Consent Calendar and placed at the bottom of General Orders.

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

SPECIAL ORDER

S.F. No. 1559: A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Mr. Dieterich moved to amend S.F. No. 1559 as follows:

Page 1, line 17, after the period, insert "No entity which provides tele-

phone services of any kind is eligible for reimbursement of intervention costs under this subdivision."

The motion prevailed. So the amendment was adopted.

Mr. Dieterich then moved to amend S. F. No. 1559 as follows:

Page 1, line 14, after "case" insert "or any proceeding which affects residential rates"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 43, as follows:

Those who voted in the affirmative were:

Dahl	Johnson, D.J.	Moe, D. M.	Peterson, D.C.	Spear
Dicklich Dieterich	Knaak Lantry	Nelson Novak	Peterson, R. W. Pogemiller	Vega
Hughes	Merriam	Pehler	Solon	

Those who voted in the negative were:

Adkins	DeCramer	Kamrath	Olson	Sieloff
Anderson	Diessner	Knutson	Peterson, C.C.	Storm
Belanger	Frank	Kroening	Peterson, D.L.	Stumpf
Benson	Frederick	Kronebusch	Petty	Taylor
Bernhagen	Frederickson	Laidig	Purfeerst	Ulland
Bertram	Freeman	Langseth	Ramstad	Waldorf
Brataas	Isackson	Lessard	Renneke	Wegscheid
Chmielewski	Johnson, D.E.	McQuaid	Samuelson	•
Davis	Jude	Mehrkens	Schmitz	

The motion did not prevail. So the amendment was not adopted.

Mr. Sieloff moved to amend S.F. No. 1559, as follows:

Page 1, line 14, delete "the intervenor" and insert "but for the assistance rendered by the intervenor the commission would not have reached its final decision in the general rate case."

Page 1, delete lines 15 to 17

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 37, as follows:

Those who voted in the affirmative were:

Chmielewski Kamrath Mehrkens Ramstad	Anderson Belanger Benson Bernhagen Chmielewski	Frederick Frederickson Isackson Johnson, D.E. Kamrath	Knutson Kronebusch Laidig McQuaid Mehrkens	Olson Peterson, D. L. Petty Purfeerst Ramstad	Renneke Sieloff
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Those who voted in the negative were:

Adkins Berglin	Dieterich Frank	Langseth Lantry	Peterson, C.C. Peterson, D.C.	Storm Stumpf
Bertram	Freeman	Luther	Peterson, R.W.	Vega
Dahl	Hughes	Merriam	Pogemiller	Waldorf
Davis	Johnson, D.J.	Moe, D. M.	Reichgott	Wegscheid
DeCramer	Jude	' Nelson	Samuelson	*
Dicklich	Knaak	Novak	Schmitz	
Diessner	Kroening	Pehler	Spear	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1559 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins Diessner Kroening Nelson Samuelson Berglin Dieterich Langseth Novak Schmitz Bertram Frank Lantry Pehler Solon Chmielewski Freeman Peterson, C.C. Lessard Spear Dahl Hughes Luther Peterson, D.C Stumpf Davis Johnson, D.J. McQuaid Peterson, R.W. Vega DeCramer Jude Merriam Pogemiller Waldorf Dicklich Knaak Moe, D. M. Reichgott Wegscheid

Those who voted in the negative were:

Anderson Frederickson Kronebusch Petty Storm Belanger Isackson Laidig Purfeerst Ulland Benson Johnson, D.E. Mehrkens Ramstad Bernhagen Kamrath Olson Renneke Frederick Knutson Peterson, D.L. Sieloff

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1520: A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; increasing certain fees; clarifying display and use of driveaway, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; and 169.01, subdivisions 10, 11, and 50; Minnesota Statutes 1983 Supplement. sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 169.672 and 169.755.

Mr. Purfeerst moved to amend S. F. No. 1520 as follows:

Page 15, line 31, strike "the abbreviation of"

The motion prevailed. So the amendment was adopted.

Mr. Purfeerst then moved to amend S. F. No. 1520 as follows:

Page 24, after line 21, insert:

"Sec. 25. Minnesota Statutes 1982, section 169.743, is amended to read:

169.743 [BUG DEFLECTORS.]

Bug deflectors shall be permitted but not required on motor vehicles. No bug deflector shall be sold, offered for sale, or used which is composed of other than non-illuminated material. No person shall operate any motor vehicle equipped with a bug deflector of nontransparent material having more than one inch of material extending above the highest part of the front of the hood, excluding any decorative ornament, and no person shall operate any motor vehicle equipped with a bug deflector of transparent material having more than three inches of material extending above the highest part of the front of the hood, excluding any decorative ornament; provided that trucks and truck tractors with a gross vehicle weight of 12,000 pounds or more may be operated with a clear, uncolored bug deflector extending no more than six inches above the highest part of the front of the hood, excluding any decorative ornament."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 21, after the semicolon, insert "allowing certain vehicles to operate with an extended bug deflector;"

Page 1, line 29, delete the first "and"

Page 1, line 29, after the third semicolon, insert "and 169.743;"

The motion prevailed. So the amendment was adopted.

Mr. Purfeerst then moved to amend S. F. No. 1520 as follows:

Page 19, after line 24, insert:

"Sec. 16. Minnesota Statutes 1982, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in new and unused motor vehicle bodies to have a bona fide contract or franchise in effect with the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted.

Sec. 17. Minnesota Statutes 1982, section 168.27, subdivision 3, is amended to read:

- Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.
- Sec. 18. Minnesota Statutes 1982, section 168.27, subdivision 10, is amended to read:
- Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum.
 - (1) For a new motor vehicle dealer, the following:
- (a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;
- (b) a bona fide contract or franchise in effect with a manufacturer or distributor of the new motor vehicles he proposes to sell, broker, wholesale or auction:
- (c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.
- (2) For a used motor vehicle dealer the following: a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain or commercial office space for where the books, records and files necessary are kept to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.
- (3) For a motor vehicle lessor, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
- (4) For a motor vehicle broker, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
- (5) (4) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
 - (6) (5) For a motor vehicle auctioneer, the following: a permanent enclosed

commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

- (7) (6) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.
- (8) (7) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required."

Page 26, line 17, after "sections" insert "168.27, subdivision 5;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, after the semicolon insert "eliminating certain provisions relating to motor vehicle brokers;"

Page 1, line 28, after the first semicolon, insert "168.27, subdivisions 2, 3, and 10;"

Page 1, line 33, after "sections" insert "168.27, subdivision 5;"

Mr. Merriam requested division of the amendment as follows:

First portion:

Page 19, after line 24, insert:

"Sec. 16. Minnesota Statutes 1982, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in new and unused motor vehicle bodies to have a bona fide contract or franchise in effect with the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted.

Sec. 17. Minnesota Statutes 1982, section 168.27, subdivision 3, is amended to read:

Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage

in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer."

Page 26, line 17, after "sections" insert "168.27, subdivision 5;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, after the semicolon, insert "eliminating certain provisions relating to motor vehicle brokers;"

Page 1, line 28, after the first semicolon, insert "168.27, subdivisions 2 and 3:"

Page 1, line 33, after "sections" insert "168.27, subdivision 5;"

Second Portion:

Page 19, after line 24, insert:

"Sec. 18. Minnesota Statutes 1982, section 168.27, subdivision 10, is amended to read:

Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum.

- (1) For a new motor vehicle dealer, the following:
- (a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;
- (b) a bona fide contract or franchise in effect with a manufacturer or distributor of the new motor vehicles he proposes to sell, broker, wholesale or auction:
- (c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.
- (2) For a used motor vehicle dealer the following: a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain or commercial office space for where the books, records and files necessary are kept to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.
- (3) For a motor vehicle lessor, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an

automatic telephone answering service during normal business hours.

- (4) For a motor vehicle broker, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
- (5) (4) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
- (6) (5) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.
- (7) (6) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.
- (8) (7) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required."

Amend the title accordingly.

The question was taken on the adoption of the first portion of the amendment.

The motion prevailed. So the first portion of the amendment was adopted.

Mr. Purfeerst withdrew the second portion of the amendment.

S.F. No. 1520 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 4, as follows:

Those who voted in the affirmative were:

A Jirima	Dieterich	Kronebusch	Peterson, C.C.	Solon
Adkins				
Anderson	Frank	Laidig	Peterson, D.C.	Spear
Belanger	Frederickson	Langseth	Peterson, R.W.	Storm
Berglin	Freeman	Lantry	Petty	Stumpf
Bernhagen	Hughes	Lessard	Pogemiller	Taylor
Bertram	Isackson	Luther	Purfeerst	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	Vega
Dahl	Johnson, D.J.	Mehrkens	Reichgott	Waldorf
Davis	Jude	Moe, R. D.	Renneke	Wegscheid
DeCramer	Kamrath	Novak	Samuelson	Willet
Dicklich	Knutson	Olson	Schmitz	
Diessner	Kroening	Pehler	Sieloff	

Messrs. Benson, Frederick, Merriam and Moe, D.M. voted in the nega-

tive.

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

- H.F. No. 1503: A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.
- Mr. Schmitz moved that the amendment made to H.F. No. 1503 by the Committee on Rules and Administration in the report adopted April 9, 1984, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.
 - H.F. No. 1503 was then progressed.

SPECIAL ORDER

- H.F. No. 1405: A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.
- Mr. Belanger moved to amend H.F. No. 1405, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1328.)

Page 1, after line 15, insert:

"Sec. 2. [RELOCATION OF MONUMENT.]

Subject to the approval of the Capitol Area Architectural and Planning Board, the Monument to the Living may be relocated in the Court of Honor of the Veterans Services Building and shall face the Capitol."

The motion prevailed. So the amendment was adopted.

H.F. No. 1405 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Pehler	Sieloff
Anderson	Frank	Laidig	Peterson, C.C.	Solon
Belanger	Frederick	Langseth	Peterson, D.C.	Spear
Benson	Frederickson	Lantry	Peterson, D.L.	Storm
Berglin	Freeman	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Luther	Petty	Taylor
Bertram	lsackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D.J.	Merriam	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kamrath	Nelson	Renneke	Willet
Dicklich	Knutson	Novak	Samuelson	
Diessner	Kroening	Olson	Schmitz	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1473: A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending Minnesota Statutes 1982, section 508.16, subdivision 1.

Ms. Reichgott moved to amend S.F. No. 1473 as follows:

Page 3, after line 34, insert:

"Sec. 2. Minnesota Statutes 1982, section 519.09, is amended to read:

519.09 [DOWER AND CURTESY ABOLISHED.]

All inchoate estates or statutory interests in lieu of dower and curtesy in all lands in this state which have been conveyed prior to January 1, 1960 1970, by the husband or wife of the one entitled to such inchoate dower or curtesy, or statutory interest, by a conveyance in writing, are hereby abolished.

Sec. 3. Minnesota Statutes 1982, section 519.101 is amended to read:

519.101 [ACTIONS NOT MAINTAINABLE.]

No action for the recovery of real property, or of any right therein, or the possession thereof, shall be maintained by any person having any estate in dower or by the curtesy or any estate or statutory interest in lieu of dower or by the curtesy therein, or by anyone claiming, by, through or under any such person, where it appears that the husband or wife of such person conveyed such real property, or any interest therein, by a conveyance in writing, prior to the first day of January, 1960 1970; and no action shall be maintained for the recovery of real property, or of any right therein, or the possession thereof, by any person claiming by reason of failure of a spouse to join in a conveyance of land which constituted the homestead of the grantor at the time of the conveyance where such conveyance was made prior to January 1, 1960 1970, unless such action shall be commenced on or prior to the first day of January, 1974 1985, and notice thereof filed for record at the time of the commencement of said action in the office of the county recorder in the county where said real property is situate."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "amending provisions related to the abolition of dower and curtesy;"

Page 1, line 4, delete "section" and insert "sections" and after "1" insert ": 519.09; and 519.101"

The motion prevailed. So the amendment was adopted.

S.F. No. 1473 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 0, as follows:

Adkins Anderson Belanger Benson Berglin Bernhagen Bertram Chmielewski Dahl Davis DeCramer Dicklich	Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath Knutson	Kronebusch Laidig Langseth Lantry Lessard Luther McQuaid Mehrkens Merriam Moe, R. D. Nelson Novak	Peterson, C.C. Peterson, D.C. Peterson, D.L. Peterson, R.W. Petty Pogemiller Purfeerst Ramstad Reichgott Renneke Samuelson Schmitz	Solon Spear Storm Stumpf Taylor Ulfand Vega Waldorf Wegscheid Willet
Diessner	Kroening	Olson	Sieloff	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1365: A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Peterson, C.C.	Solon
Anderson	Frederick	Langseth	Peterson, D.C.	Spear
Belanger	Frederickson	Lantry	Peterson, D.L.	Storm
Benson	Freeman	Lessard	Peterson, R. W.	Stumpf
Berglin	Hughes	Luther	Petty	Taylor
Bertram	Isackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D.J.	Merriam	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kamrath	Nelson	Renneke	Willet
Dicklich	Knutson	Novak	Samuelson	
Diessner	Kroening	Olson	Schmitz	
Dieterich	Kronebusch	Pehler	Sieloff	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1486: A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Anderson Frank Benson Frederick Berglin Frederickson Bernhagen Hughes Bertram Isackson Chmielewski Johnson, D.E. Dahl Johnson, D.J. Davis Jude DeCramer Kamrath Dicklich Knutson	Laidig Pe Langseth Pe Lantry Pe Lessard Pe Luther Pe McQuaid Pe Mehrkens Po Merriam Pi Moe, R. D. Ro Nelson Ro	terson, C.C. sterson, D.C. sterson, D.C. sterson, D.L. sterson, R.W. stty ogemiller urfeerst eichgott enneke	Schmitz Sieloff Solon Spear Storm Stumpf Taylor Ulland Vega Waldorf Wegscheid Willet
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So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1452: A bill for an act relating to trusts; eliminating the requirement of qualifying trustees in certain cases; amending Minnesota Statutes 1982, section 524.3-913.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kronebusch	Pehler	Solon
Anderson	Frederick	Laidig	Peterson, C.C.	Spear
Belanger	Frederickson	Langseth	Peterson, D.C.	Storm
Berglin	Freeman	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Lessard	Peterson, R.W.	Taylor
Bertram	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McOuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe. R. D.	Reichgott	Willet
Dicklich	Knaak	Nelson	Renneke	
Diessner	Knutson	Novak	Samuelson	
Dieterich	Kroening	Olson	Sieloff	
	U			

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1398: A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 10, as follows:

Adkins Frederick Laidig Pehler Solon Belanger Frederickson Lantry Peterson, C.C. Storm Bernhagen Hughes Lessard Peterson, D.L. Stumpf Bertram Luther Isackson Peterson, R. W. Taylor Chmielewski Johnson, D.E. McQuaid Petty Ulland Dahl Johnson, D.J. Mehrkens Purfeerst Vega Davis Jude Merriam Ramstad Waldorf DeCramer Kamrath Moe, R. D. Wegscheid Reichgott Dicklich Knutson Nelson Renneke Willet Diessner Kroening Novak Samuelson Frank Kronebusch Olson Sieloff

Those who voted in the negative were:

Anderson Dieterich Knaak Peterson, D. C. Schmitz
Berglin Freeman Moe, D. M. Pogemiller Spear

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1337: A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

Mr. Wegscheid moved to amend S.F. No. 1337 as follows:

Page 1, line 14, delete "six" and insert "5-1/4"

The motion prevailed. So the amendment was adopted.

S.F. No. 1337 was then progressed.

SPECIAL ORDER

S.F. No. 1832: A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on the scheduled release date of certain inmates; amending Minnesota Statutes 1982, section 244.04, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

Mr. Spear moved to amend S.F. No. 1832 as follows:

Page 2, line 26, after "in" insert "punitive"

The motion prevailed. So the amendment was adopted.

Mr. Laidig moved to amend S.F. No. 1832 as follows:

Page 1, line 12, strike "Notwithstanding"

Page 1, strike line 13

Page 1, line 14, strike "609.346, subdivision 1, the" and insert "An inmate's" and strike "of any inmate"

Page 1, strike line 15

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for the reduction of prison terms for inmates complying with disciplinary rules;"

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1832 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Diessner	Knutson	Nelson	Samuelson
Dieterich	Kroening	Novak	Schmitz
Frank	Kronebusch	Olson	Sieloff
Frederick	Laidig	Pehler	Solon
Frederickson	Langseth	Peterson, C.C.	Spear
Freeman	Lantry	Peterson, D.C.	Storm
Hughes	Lessard	Peterson, R.W.	Stumpf
Isackson	Luther	Petty	Taylor
Johnson, D.E.	McQuaid	Pogemiller	Ulland
Johnson, D.J.	Mehrkens	Purfeerst	Vega
Jude	Merriam	Ramstad	Waldorf
Kamrath	Moe, D. M.	Reichgott	Willet
Knaak	Moe, R. D.	Renneke	
	Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath	Dieterich Kroening Frank Kronebusch Frederick Laidig Frederickson Langseth Freeman Lantry Hughes Lessard Isackson Luther Johnson, D.E. McQuaid Johnson, D.J. Mehrkens Jude Merriam Kamrath Moe, D. M.	Dieterich Kroening Novak Frank Kronebusch Olson Frederick Laidig Pehler Frederickson Langseth Peterson, C.C. Freeman Lantry Peterson, D.C. Hughes Lessard Peterson, R.W. Isackson Luther Petty Johnson, D.E. McQuaid Pogemiller Johnson, D.J. Mehrkens Purfeerst Jude Merriam Ramstad Kamrath Moe, D. M. Reichgott

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1496: A bill for an act relating to state lands; providing for the lease of certain state land to the city of Pillager.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Solon
Berg	Frederickson	Langseth	Peterson, C.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.C.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Davis	Jude	Merriam	Ramstad	Waldorf
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1460: A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Solon
Berg	Frederickson	Langseth	Peterson, C.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.C.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Davis	Jude	Merriam	Ramstad	Waldorf
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1670: A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2; and repealing Minnesota Statutes 1982, section 16.756, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Solon
Вегд	Frederickson	Langseth	Peterson, C.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.C.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Davis	Jude	Мегтіат	Ramstad	Waldorf
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1784: A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Adkins	Diessner	Knutson	Novak	Schmitz
Anderson	Dieterich	Kroening	Olson	Sieloff
Belanger	Frank	Kronebusch	Pehler	Solon
Benson	Frederick	Laidig	Peterson, C.C.	Spear
Berg	Frederickson	Langseth	Peterson, D.C.	Storm
Berglin	Freeman	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Vega
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Renneke	Willet
Dicklich	Knaak	Nelson	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1503: A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

Mr. Sieloff moved to amend H.F. No. 1503 as follows:

Page 2, line 20, delete "corporate surety" and insert "fidelity"

The motion prevailed. So the amendment was adopted.

H.F. No. 1503 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Nelson	Samuelson
Anderson	Dieterich	Kroening	Novak	Schmitz
Belanger	Frank	Kronebusch	Olson	Sieloff
Benson	Frederick	Laidig	Pehler	Solon
Berg	Frederickson	Langseth	Peterson, C.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.C.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1491: A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Novak	Schmitz
Anderson	Frank	Kronebusch	Olson	Sieloff
Belanger	Frederick	Laidig	Pehler	Solon
Benson	Frederickson	Langseth	Peterson, C.C.	Spear
Berg	Freeman	Lantry	Peterson, D.C.	Storm
Berglin	Hughes	Lessard	Peterson, R.W.	Stumpf
Bernhagen	Isackson	Luther	Petty	Ulland
Bertram	Johnson, D.E.	McQuaid	Pogemiller	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Dahl	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet
Dicklich	Knaak	Moe, R. D.	Renneke	
Diessner	Knutson	Nelson	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1642: A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using an infrared breath-testing instrument for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of infrared breath-tests to be admissible into evidence in civil and criminal hearings; amending Minnesota Statutes 1982, sections 169.01, by adding a subdivision; 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

Mr. Peterson, R.W. moved to amend S.F. No. 1642 as follows:

Page 2, line 25, delete "4" and insert "5"

The motion prevailed. So the amendment was adopted.

S.F. No. 1642 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knaak	Novak	Samuelson
Anderson	Dieterich	Knutson	Olson	Solon
Belanger	Frank	Kroening	Pehler	Spear
Benson	Frederick	Kronebusch	Peterson, C.C.	Storm
Berg	Frederickson	Laidig	Peterson, D.C.	Stumpf
Berglin	Freeman	Lantry	Peterson, R.W.	Ulland
Bernhagen	Hughes	Lessard	Petty	Vega
Bertram	Isackson	Luther	Pogemiller	Waldorf
Chmielewski	Johnson, D.E.	McOuaid	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Willet
DeCramer	Jude	Merriam	Reichgott	
Dicklich	Kamrath	Moe, R. D.	Renneke	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1495: A bill for an act relating to labor; providing for occupational

safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivisions 4b, 4c, and 4f; and 182.654, subdivision 11.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Renneke
Anderson	Diessner	Knutson	Novak	Samuelson
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Solon
Berg	Frederick	Langseth	Peterson, C.C.	Spear
Berglin	Frederickson	Lantry	Peterson, D.C.	Storm
Bernhagen	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Hughes	Luther	Petty	Ulland
Chmielewski	Isackson	McQuaid	Pogemiller	Vega
Dahl	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Davis	Jude	Merriam	Ramstad	Wegscheid
DeCramer	Kamrath	Moe, D. M.	Reichgott	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1435: A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02. subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Knutson	Olson	Sieloff
Anderson	Dieterich	Kroening	Pehler	Solon
Belanger	Frank	Kronebusch	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Dahl	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Davis	Jude	Moe, D. M.	Reichgott	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Novak	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1759: A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982, section 168.31, subdivision 3.

Ms. Reichgott moved to amend S.F. No. 1759 as follows:

Page 4, line 18, reinstate the stricken "45" and delete "90" and after the period insert "Nothing in this section shall preclude prepayment."

The motion prevailed. So the amendment was adopted.

S.F. No. 1759 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Moe, D. M.	Renneke
Anderson	Diessner	Knaak	Novak	Samuelson
Belanger	Dieterich	Knutson	Olson	Sieloff
Benson	Frank	Kroening	Pehler	Solon
Ветд	Frederick	Kronebusch	Peterson, C.C.	Spear
Berglin	Frederickson	Langseth	Peterson, D.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, R.W.	Stumpf
Bertram	Hughes	Lessard	Petty	Taylor
Chmielewski	Isackson	Luther	Pogemiller	Ulland
Dahl	Johnson, D.E.	McQuaid	Purfeerst	Waldorf
Davis	Johnson, D.J.	Mehrkens	Ramstad	Wegscheid
DeCramer	Jude	Merriam	Reichgott	Willet

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1485: A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kamrath	Novak	Samuelson
Anderson	Diessner	Knaak	Olson	Sieloff
Belanger	Dieterich	Knutson	Pehler	Solon
Benson	Frank	Kronebusch	Peterson, C.C.	Spear
Berg	Frederick	Langseth	Peterson, D.L.	Storm
Berglin	Frederickson	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Freeman	Lessard	Petty	Taylor
Bertram	Hughes	Luther	Pogemiller	Ulland
Chmielewski	Isackson	McQuaid	Purfeerst	Waldorf
Dahl	Johnson, D.E.	Mehrkens	Ramstad	Wegscheid
Davis	Johnson, D.J.	Merriam	Reichgott	Willet
DeCramer	Jude	Moe, R. D.	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1611: A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, sections 327C.02, subdivision 5; and 327C.07, subdivisions 3a and 8.

Mr. Novak moved to amend H.F. No. 1611, as amended pursuant to Rule 49, adopted by the Senate March 29, 1984, as follows:

(The text of the amended House File is identical to S.F. No. 1508.)

Page 7, line 34, delete "and 2" and insert "to 3"

The motion prevailed. So the amendment was adopted.

H.F. No. 1611 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

A 31.1	District	Knaak	Novak	C
Adkins	Dicklich			Samuelson
Anderson	Diessner	Knutson	Olson	Sieloff
Belanger	Dieterich	Kroening	Pehler	Solon
Benson	Frank	Kronebusch	Peterson, C.C.	Spear
Berg	Frederick	Langseth	Peterson, D.C.	Storm
Berglin	Freeman	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Hughes	Lessard	Petty	Taylor
Bertram	Isackson	Luther	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	McQuaid	Purfeerst	Vega
Dahl	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Davis	Jude	Merriam	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Renneke	Willet

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1526: A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 24, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Peterson, C.C.	Samuelson
Berglin	Frank	Lessard	Peterson, D.C.	Solon
Bertram	Freeman	Luther	Peterson, R.W.	Spear
Dahl	Hughes	Merriam	Pety	Stumpf
Davis	Johnson, D.J.	Moe, R. D.	Pogemiller	Vega
DeCramer	Kroening	Novak	Purfeerst	Wegscheid
Dicklich	Langseth	Pehler	Reichgott	Willet

Those who voted in the negative were:

Moe, D. M. Anderson Frederick Knaak Storm Olson Taylor Belanger Frederickson Knutson Kronebusch Ramståd Ulland Johnson, D.E. Вегд Renneke Waldorf Bernhagen Jude Laidig Dieterich Kamrath McQuaid Sieloff

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1823: A bill for an act relating to county humane societies; allowing for an increase in the appropriation a county may give to a county humane society in any year; amending Minnesota Statutes 1982, section 343.11.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Moe, R. D. Sieloff Diessner Knaak Adkins Solon Dieterich Knutson Novak Anderson Olson Spear Belanger Frank Kroening Berg Frederick Kronebusch Pehler Storm Frederickson Laidig Peterson, C.C. Stumpf Berglin Peterson, D.C. Ulland Freeman Langseth Bernhagen Peterson, R.W. Vega Bertram Hughes Lantry Waldorf Chmielewski Isackson Lessard Petty Pogemiller Wegscheid Johnson, D.E. Luther Dahl Willet Ramstad Johnson, D.J. McOuaid Davis Reichgott DeCramer Inde Merriam Moe. D. M. Samuelson Dicklich Kamrath

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1659: A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Samuelson Moe, R. D. Adkins Diessner Kamrath Sieloff Novak Dieterich Knaak Anderson Olson Solon Belanger Frank Kroening Pehler Spear Frederick Kronebusch Benson Peterson, D.C. Storm Berg Frederickson Laidig Peterson, R.W. Stumpf Bernhagen Freeman Lantry Ulland Hughes Lessard Petty Bertram Luther Pogemiller Vega Chmielewski Isackson Waldorf Johnson, D.E. McQuaid Purfeerst Dahl Wegscheid Johnson, D.J. Ramstad DeCramer Merriam Willet Reichgott Dicklich Inde Moe. D. M.

Mr. Peterson, C.C. voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1654: A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 2, as follows:

Those who voted in the affirmative were:

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Messrs. Chmielewski and Peterson, C.C. voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1768: A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Moe, R. D.	Samuelson
Anderson	Diessner	Kroening	Novak	Sieloff
Belanger	Dieterich	Kronebusch	Olson	Solon
Benson	Frank	Laidig	Pehler	Spear
Berg	Frederickson	Langseth	Peterson, C.C.	Storm
Berglin	Freeman	Lantry	Peterson, D.C.	Stumpf
Bernhagen	Hughes	Lessard	Peterson, R.W.	Ulland
Bertram	Isackson	Luther	Petty	Vega
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Wegscheid
Davis	Jude	Merriam	Ramstad	Willet
DeCramer	Kamrath	Moe, D. M.	Reichgott	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 977: A bill for an act relating to liquor; authorizing the city of

Farmington to issue a club on-sale license to an Eagles Club.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 6, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kronebusch	Novak	Sieloff
Anderson	Frederickson	Laidig	Olson	Spear
Belanger	Freeman	Langseth	Pehler	Storm
Berg	Hughes	Lantry	Peterson, D.C.	Stumpf
Bertram	Johnson, D.E.	Lessard	Peterson, R.W.	Ulland
Dahl	Johnson, D.J.	Luther	Petty	Vega
Davis	Jude	McQuaid	Pogemiller	Waldorf
DeCramer	Kamrath	Mehrkens	Purfeerst	Wegscheid
Dicklich	Knaak	Merriam	Ramstad	Willet
Diessner	Knutson	Moe, D. M.	Reichgott	
Dieterich	Kroening	Moe, R. D.	Samuelson	

Those who voted in the negative were:

Berglin Bernhagen Chmielewski

lsackson

Peterson, C.C.

Renneke

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1740: A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving hazardous materials; amending Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Moe, R. D.	Samuelson
Anderson	Dieterich	Kroening	Novak	Sieloff
Belanger	Frank	Kronebusch	Olson	Solon
Benson	Frederickson	Laidig	Pehler	Spear
Berg	Freeman	Langseth	Peterson, D.C.	Storm
Berglin	Hughes	Lantry	Peterson, R.W.	Stumpf
Bernhagen	Isackson	Lessard	Petty	Ulland
Bertram	Johnson, D.E.	Luther	Pogemiller	Vega
Chmielewski	Johnson, D.J.	McQuaid	Purfeerst	Waldorf
Dahl	Jude	Mehrkens	Ramstad	Wegscheid
Davis	Kamrath	Merriam	Reichgott	Willet
DeCramer	Knaak	Moe, D. M.	Renneke	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1913: A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15.

subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.04, subdivisions 5 and 6.

Mr. Storm moved to amend S.F. No. 1913 as follows:

Page 8, line 3, delete "is" and insert "may not be"

Page 8, delete lines 4 to 16 and insert "Any employees or funds transferred to the state planning agency by executive order must be transferred back to the environmental quality board."

Page 9, delete section 4

Page 14, lines 6 and 7, delete "energy and economic development" and insert "public welfare"

Amend the title as follows:

Page 1, line 14, delete the semicolon

Page 1, delete line 15

Page 1, line 16, delete everything before the period

The motion did not prevail. So the amendment was not adopted.

Mr. Ulland moved to amend S.F. No. 1913 as follows:

Page 12, after line 16, insert:

- "(8) On September 1 of each year, the commissioner of energy and economic development shall report to the department of finance:
- (a) the amount of money spent on foreign travel during the preceding fiscal year;
 - (b) the names of the individuals who traveled;
 - (c) where the individuals traveled to; and
 - (d) the purposes of the trips."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring reports on travel;"

Mr. Frank questioned whether the amendment was germane. The President ruled that the amendment was germane.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Laidig	Ramstad
Anderson	Diessner	Jude	McQuaid	Renneke
Belanger	Dieterich	Kamrath	Mehrkens	Sieloff
Berg	Frederick	Knaak	Olson	Storm
Bernhagen	Frederickson	Knutson	Peterson, D.L.	Taylor
Chmielewski	Isackson	Kronebusch	Peterson, R.W.	Ulland

Those who voted in the negative were:

Berglin	Hughes	Merriam	Petty	Ctf
			reny	Stumpf
Bertram	Johnson, D.J.	Moe, D. M.	Pogemiller	Vega
Davis	Kroening	Moe, R. D.	Purfeerst	Waldorf
DeCramer	Langseth	Novak	Reichgott	Wegscheid
Dicklich	Lantry	Pehler	Samuelson	Willet
Frank	Lessard	Peterson, C.C.	Solon	
Freeman	Luther	Peterson D C	Spear	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1913 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 19, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kronebusch	Pehler	Spear
Berglin	Frank	Langseth	Peterson, D.C.	Taylor
Bertram	Frederickson	Lantry	Peterson, R.W.	Vega
Chmielewski	Freeman	Lessard	Petty	Wegscheid
Dahl	Hughes	Luther	Pogemiller	Willet
Davis	Johnson, D.E.	McOuaid	Purfeerst	
DeCramer	Johnson, D.J.	Moe, D. M.	Reichgott	
Dicklich	Jude	Moe, R. D.	Samuelson	
Diessner	Kroening	Novak	Solon	

Those who voted in the negative were:

Anderson	Frederick	Laidig	Peterson, D.L.	Storm
Belanger	Kamrath	Mehrkens	Ramstad	Ulland
Berg	Knaak	Merriam	Renneke	Waldorf
Bernhagen	Knutson	Olson	Sieloff	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Luther moved that H. F. No. 559 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H.F. NO. 559

A bill for an act relating to courts; providing for interest rates on judgments; amending Minnesota Statutes 1982, section 549.09, subdivision 1.

May 23, 1983

The Honorable Harry A. Sieben, Jr. Speaker of the House of Representatives

The Honorable Jerome M. Hughes President of the Senate

We, the undersigned conferees for H.F. No. 559, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 559 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 549.09, subdivision 1, is

amended to read:

Subdivision 1. [WHEN OWED; RATE.] (a) When the judgment is for the recovery of money, including a judgment for the recovery of taxes, interest from the time of the verdict or report until judgment is finally entered shall be computed by the clerk as provided in this section clause (c) and added to the judgment. (b) Except as otherwise provided by contract or allowed by law. pre-verdict or pre-report interest on pecuniary damages shall be computed as provided in clause (c) from the time of the commencement of the action, except as provided herein. If either party serves a written offer of settlement, the other party may serve a written acceptance or a written counter-offer within 60 days. After that time interest on the judgment shall be calculated by the judge in the following manner. The prevailing party shall receive interest on any judgment from the time the action was commenced or as to special damages from the time when special damages were incurred, if later than commencement of the action, until the time of verdict or report only if the amount of its offer is closer to the judgment than the amount of the opposing party's offer. If the amount of the losing party's offer was closer to the judgment than the prevailing party's offer, the prevailing party shall receive interest only on the amount of the settlement offer or the judgment, whichever is less, and only from the time the action was commenced or as to special damages from when the special damages were incurred if later than commencement of the action until the time the settlement offer was made. Except as otherwise provided by contract or allowed by law, pre-verdict or prereport interest shall not be awarded on the following:

- (1) judgments, awards, or benefits in workers' compensation cases, but not including third-party actions;
- (2) judgments, decrees, or orders in dissolution, annulment, or legal separation actions;
- (3) punitive damages, fines, or other damages that are noncompensatory in nature;
 - (4) judgments not in excess of the amount specified in section 487.30; and
- (5) that portion of any verdict or report which is founded upon interest, or costs, disbursements, attorney fees, or other similar items added by the court. (c) The interest shall be computed as simple interest per annum. The rate of interest shall be based on the secondary market yield of one year United States treasury bills, calculated on a bank discount basis as provided in this section.

On or before the 20th day of December of each year the state court administrator shall determine the rate from the secondary market yield on one year United States treasury bills for the most recent calendar month, reported on a monthly basis in the latest statistical release of the board of governors of the federal reserve system. This yield, rounded to the nearest one percent, shall be the annual interest rate during the succeeding calendar year; provided, however, that in no event shall the rate of interest be less than eight percent per annum. The state court administrator shall communicate the interest rate to the clerks of court for their use in computing the interest on verdicts.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1983, and interest shall begin to accrue as

of that date on any pending claims or causes of action."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Jerry Schoenfield, Terry Dempsey, Robert E. Vanasek

Senate Conferees: (Signed) William P. Luther, Jim Ramstad, Michael O. Freeman

Mr. Luther moved that the foregoing recommendations and Conference Committee Report on H.F. No. 559 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 559 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 37 and nays 27, as follows:

Those who voted in the affirmative were:

Adkins	Freeman	Luther	Peterson, R. W.	Spear
Belanger	Hughes	Merriam	Petty	Stumpf
Berglin	Johnson, D.J.	Moe, R. D.	Pogemiller	Vega
Dahl	Jude	Nelson	Purfeerst	Wegscheid
Davis	Kroening	Novak	Ramstad	Willet
DeCramer	Langseth	Pehler	Reichgott	
Dicklich	Lantry	Peterson, C.C.	Samuelson	
Dieterich	Lessard	Peterson.D.C.	Solon	

Those who voted in the negative were:

Anderson	Diessner	Kamrath	Mehrkens	Taylor
Benson	Frank	Knaak	Olson	Ulĺand
Berg	Frederick	Knutson	Peterson, D.L.	Waldorf
Bernhagen	Frederickson	Kronebusch	Renneke	
Bertram	Isackson	Laidig	Sieloff	
Chmielewski	Johnson, D.E.	McQuaid	Storm	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

INTRODUCTION AND FIRST READING OF SENATE BILLS

Messrs, DeCramer and Davis introduced-

S.F. No. 2207: A resolution memorializing the President and Congress of the United States to adopt on an emergency basis a public policy of preserving the family farm as an invaluable natural resource.

Referred to the Committee on Agriculture and Natural Resources.

Ms. Peterson, D.C. introduced-

S.F. No. 2208: A bill for an act relating to occupations and professions; providing for licensing of electrologists; providing penalties; proposing new law coded in Minnesota Statutes, chapter 148.

Referred to the Committee on Economic Development and Commerce.

MEMBERS EXCUSED

Mr. Berg was excused from the Session of today until 1:30 p.m. Mrs. Brataas was excused from the Session of today from 12:00 noon to 3:00 p.m. Mr. Dahl was excused from the Session of today until 10:30 a.m. Mr. Knaak was excused from the Session of today from 12:00 noon to 12:40 p.m. Mr. Nelson was excused from the Session of today from 2:15 to 3:00 p.m. Mr. Pogemiller was excused from the Session of today from 10:00 to 10:45 a.m. Ms. Reichgott was excused from the Session of today from 10:40 to 11:20 a.m. Mr. Schmitz was excused from the Session of today at 1:45 p.m. Mr. Willet was excused from the Session of today from 10:45 to 11:30 a.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Wednesday, April 11, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SEVENTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, April 11, 1984

The Senate met at 10:00 a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Monsignor Terrence J. Murphy.

The roll was called, and the following Senators answered to their names:

Adkins	Diessner	Kroening	Olson	Sieloff
Anderson	Dieterich	Kronebusch	Pehler	Solon
Belanger	Frank	Laidig	Peterson, C.C.	Spear
Benson	Frederick	Langseth	Peterson, D.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berglin	Freeman	Lessard	Peterson, R.W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

April 10, 1984

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 1453.

Sincerely,

Rudy Perpich, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 1770.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 10, 1984

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 416: A bill for an act relating to certain towns in Goodhue County; authorizing the town board to set the hours the polling places will be open in town elections.

Senate File No. 416 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 10, 1984

CONCURRENCE AND REPASSAGE

Mr. Mehrkens moved that the Senate concur in the amendments by the House to S.F. No. 416 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 416: A bill for an act relating to town elections; authorizing towns to set the hours for polling places; amending Minnesota Statutes 1983 Supplement, section 205.175, subdivisions 2 and 3.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Novak	Sieloff
Anderson	Dieterich	Kronebusch	Olson	Solon
Belanger	Frank	Laidig	Pehler	Spear
Benson	Frederick	Langseth	Peterson, C.C.	Storm
Berg	Frederickson	Lantry	Peterson, D.C.	Stumpf
Berglin	Freeman	Lessard	Peterson, D.L.	Taylor
Bernhagen	Hughes	Luther	Peterson, R.W.	Ulland
Bertram	Isackson	McQuaid	Petty	Vega
Brataas	Johnson, D.E.	Mehrkens	Pogemiller	Waldorf
Chmielewski	Johnson, D.J.	Merriam	Purfeerst	Wegscheid
Davis	Jude	Moe, D. M.	Ramstad	Willet
DeCramer	Kamrath	Moe, R. D.	Renneke	
Dicklich	Knaak	Nelson	Schmitz	

Mr. Dahl voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the con-

currence of the Senate is respectfully requested:

S.F. No. 1396: A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

Senate File No. 1396 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 10, 1984

CONCURRENCE AND REPASSAGE

Mr. Bertram moved that the Senate concur in the amendments by the House to S.F. No. 1396 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1396 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Belanger Benson Berg Berglin Bernhagen Bertram Brataas Chmielewski	Dicklich Diessner Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E.	Knaak Kroening Kronebusch Langseth Lantry Lessard Luther McQuaid Mehrkens Merriam	Novak Olson Pehler Peterson,C.C. Peterson,D.C. Peterson,D.L. Peterson,R.W. Petty Pogemiller Purfeerst Parmstad	Samuelson Schmitz Sieloff Solon Spear Storm Stumpf Taylor Ulland Vega

So the bill, as amended, was repassed and its title was agreed to.

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1770, 2081, 2247 and 2314.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 10, 1984

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 1770: A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board;

amending Laws 1974, chapter 181, section 1, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1831, now on Special Orders.

H.F. No. 2081: A bill for an act relating to local government; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1951, now on Special Orders.

H.F. No. 2247: A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1924, now on Special Orders.

H.F. No. 2314: A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

Mr. Luther moved that H.F. No. 2314 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1962: A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; and 500.221, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 5, delete sections 2 to 5 and insert:

"Sec. 2. Minnesota Statutes 1982, section 31.11, is amended to read:

31.11 [RULES AND REGULATIONS.]

For the purpose of preventing fraud and deception in the manufacture, use, sale, and transportation of food, or for the purpose of protecting and preserving the public health, it shall also be the duty of the commissioner to make and publish uniform adopt temporary or permanent rules and regulations, not inconsistent with law, for carrying out and enforcing the provisions of laws now or hereafter enacted relating to food; which rules and regulations shall be made in the manner provided by law. Until such rules and regulations are made and published, the rules and regulations heretofore made by the commissioner shall remain in full force and effect, except as otherwise prescribed by law. Any person who shall manufacture, use, sell, transport, offer for use, sale or transportation, or have in possession with intent to use, sell or transport, any article of food contrary to the provisions of any such rule or regulation, or who shall fail to comply with any such rule or regulation, shall be guilty of a misdemeanor."

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, delete line 4

Page 1, line 7, delete "sections 21.118;" and insert "section 31.11;"

Page 1, line 8, delete everything before "and"

Page 1, line 9, delete "sections" and insert "section"

Page 1, line 10, delete "; and 500.221, subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1918: A bill for an act relating to agriculture; changing procedures for weighing livestock; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 2, 4, 6, 7, 8, and by adding a subdivision; 17A.05; 17A.07; 17A.10; 17A.11; 17A.12; and 17A.13; Minnesota Statutes 1983 Supplement, sections 17A.04, subdivision 5; and 17A.06, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 17A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

Subd. 13. [STATE LIVESTOCK WEIGHMASTER.] "State livestock weighmaster" means a person employed by the department and appointed by the commissioner to weigh livestock and issue official certificates of state weight.

- Sec. 2. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:
- Subd. 14. [PUBLIC LIVESTOCK WEIGHER.] "Public livestock weigher" means a person employed by the company to be responsible and accountable for weighing and recording the weights of livestock.
- Sec. 3. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:
- Subd. 15. [COMMERCIAL LIVESTOCK SCALE.] "Commercial livestock scale" means a livestock scale or monorail scale used in the purchase or sale of livestock or livestock carcasses. For purposes of this subdivision, "livestock scale" means a scale equipped with stock racks and gates and adapted to weighing single or multiple heads of livestock standing on the scale platform, and "monorail scale" means a scale, also called an abattoir scale, a track scale, or a rail scale, the load receiving element of which is part of a monorail conveyor system and which is used primarily for the weighing of livestock carcasses.
- Sec. 4. Minnesota Statutes 1982, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. [LICENSING PROVISIONS.] Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1 each year and ending June 30. The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business. The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

- Sec. 5. Minnesota Statutes 1982, section 17A.04, subdivision 6, is amended to read:
- Subd. 6. [REFUSAL TO LICENSE.] The commissioner shall refuse to issue a livestock market agency or livestock dealer license if the applicant has not filed a surety bond in the form and amount required under sections 17A.04 and 17A.05; the commissioner may refuse to issue a license if the applicant (1) has not satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed his liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; of (3) has failed to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or (4) has failed to comply with other statutes of, rules, or regulations enforced by the commissioner of, the board of animal health, the division of weights and measures of the department of

public service, or the federal Packers and Stockyards Administration.

- Sec. 6. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:
- Subd. 7. [REVOCATION OF LICENSE.] Whenever the commissioner finds that any livestock market agency or livestock dealer has violated the provisions of sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration, the commissioner may, by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license of the offender. Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against him, and a hearing shall be had before the commissioner upon at least ten days notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in his application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.
- Sec. 7. Minnesota Statutes 1982, section 17A.04, subdivision 8, is amended to read:
- Subd. 8. [SUSPENSION OF LICENSE.] Whenever the commissioner finds that the licensee has violated the provisions of sections 17A.04, 17A.05, 17A.07, or 17A.08 this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the Federal Packers and Stockyards Administration, and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.
 - Sec. 8. Minnesota Statutes 1982, section 17A.05, is amended to read:

17A.05 [AMOUNT OF BONDS.]

Subdivision 1. [LIVESTOCK MARKET AGENCIES.] The amount of each livestock market agency bond filed with the commissioner shall be not less than \$10,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall be executed on a Packers and Stockyards Act form and shall contain the condition clause applicable when the principal sells on commission. A bond equivalent in the form of a trust fund agreement executed in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.) shall be is acceptable.

Subd. 2. [LIVESTOCK DEALERS.] The amount of each livestock dealer

bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

If the When a bond is executed on a state form furnished by the commissioner, the bond shall be for the protection of both the buyer and the seller named in the transaction when the principal fails to pay when due for livestock purchased or sold for his own account or the account of others and shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.

- Sec. 9. Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3, is amended to read:
- Subd. 3. [LEGAL PUBLIC NOTICE.] Prior to a hearing, the commissioner shall notify by certified mail all known potential claimants and publish a notice setting forth the default of the licensee and requiring all claimants to file proof of claim with the commissioner within three months 45 days of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made for three consecutive weeks in a newspaper published at the county seat of in the county in which the licensee has his principal place of business. The commissioner shall also fulfill any notice requirements prescribed by chapter 14 and rules of the office of administrative hearings. No claim shall be allowed unless it is filed with the commissioner within one year of the date of the transaction. If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control in determining the time for filing claims.

Sec. 10. Minnesota Statutes 1982, section 17A.07, is amended to read:

17A.07 [PROHIBITED CONDUCT.]

It shall be unlawful for any person to (1) carry on the business of a livestock market agency of, livestock dealer, or public stockyard without a valid and effective license issued by the commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock market agency or livestock dealer without filing and maintaining a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry on the business of a livestock market agency or livestock dealer if he cannot pay his debts as they become due or ceases to pay his debts in the ordinary course of business as they become due; (4) use or allow to be used any livestock scale or monorail scale which has not been certified and approved for official use or has been found to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true and correct weights or issue accounts and records on the basis of inaccurate or incorrect weights; (7) engage in or use

any unfair or deceptive practice or device in connection with marketing of livestock; (5) (8) willfully make or cause to be made any false entry or statement of fact in any application, financial statement or report filed with the department under the provisions of sections 17A.04, 17A.05 and 17A.08 this chapter.

Sec. 11. Minnesota Statutes 1982, section 17A.10, is amended to read:

17A.10 [PACKING PLANTS; LIVESTOCK MARKET AGENCIES SCALES AND STOCKYARDS; WEIGHERS WEIGHING.]

Subdivision 1. [COMMERCIAL LIVESTOCK SCALES.] All livestock scales and monorail scales used for the purpose of buying or selling livestock or livestock carcasses within the state must meet the construction, maintenance, testing, and certification requirements of the division of weights and measures of the department of public service, and be in compliance with the scales and weighing regulations of the Packers and Stockyards Administration of the United States Department of Agriculture and be tested and certified by the state division of weights and measures. The division of weights and measures or an authorized scale company shall test all livestock scales at least twice per year. The department of agriculture shall perform scale maintenance inspections at least twice per year at intervals that will provide alternate testing or inspection of each scale every 90 days. Special tests may be required as necessary. The basic maintenance tolerance for livestock scales is one pound per 1,000 pounds of test load. The responsibility for compliance of a scale with these requirements rests with the owner or manager of the scale.

Subd. 2. [STATE LIVESTOCK WEIGHMASTERS.] The commissioner shall appoint at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies where the average daily number of livestock weighed for the purpose of establishing a basis for sale is 500 head or more, and the commissioner may appoint state employees as necessary to provide state weighing service at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from such facilities where the average daily number of livestock weighed for the purpose of establishing a basis for sale is less than 500 head, such weighers as may be necessary for weighing livestock, provided that no weighers shall be required at facilities where the only livestock handled has been previously purchased or acquired, and title or terms of ownership already established. The commissioner shall prescribe and follow such reasonable regulations as he deems necessary for determining such daily average. Such weighers the business entity requesting official state livestock weighing. State livestock weighmasters shall weigh all livestock coming to these places for sale, and keep a record thereof. Upon request, the weighers shall of the weights, and furnish the interested parties a certificate setting forth of state weight stating the number of animals weighed and the actual weight of such animal or the animals. Such The certificate shall be is prima facie evidence of the facts therein certified. The seales at all such places on which livestock is weighed shall be constructed and maintained in accordance with the requirements of the state division of weights and measures; and be tested up to the maximum draft that may be weighed thereon, at least once every 90 days, and be in compliance with all the statutory requirements and regulations adopted by the state division of weights and measures pertaining to livestock scales and weighing. An application for official state livestock weighing constitutes an agreement between the business entity requesting state weighing and the commissioner. The agreement is for one year beginning July 1 and ending the following June

30th. The agreement automatically renews each year unless a written notice of intent to terminate is given to the commissioner at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.

State weighing service that exists on January 1, 1984, may not be terminated prior to July 1, 1985. After June 30, 1985, a facility with state weighing service may terminate that service commencing July 1 of any year, provided notice of termination is given to the commissioner by April 1 of the same year.

Whenever the management of a facility under state weighing exercises its option to terminate state weighing service, the state livestock weighmasters must be given the opportunity to continue in their livestock weighing positions with the company until those positions become vacated or terminated.

Subd. 3. [SUPERVISION AND ENFORCEMENT.] State livestock weighmasters have charge over the scales on which official certificates of state weight are issued to ensure compliance with scale maintenance and testing requirements and proper weighing procedures.

The commissioner shall appoint law compliance personnel as necessary to provide maintenance inspections, check-weighing, comparison weighing, and record audits and to investigate complaints in order to enforce this chapter.

The regulations pertaining to livestock and monorail scales adopted by the Packers and Stockyards Administration of the United States Department of Agriculture are applicable in Minnesota, and a memorandum of understanding with the Packers and Stockyards Administration provides for a cooperative state and federal enforcement program.

Sec. 12. Minnesota Statutes 1982, section 17A.11, is amended to read:

17A.11 [FEES FOR LIVESTOCK WEIGHING.]

The commissioner shall prescribe the fee necessary to cover the cost of such state weighing, to be assessed and collected from the seller in such the manner as the commissioner may prescribe; provided, that. The fee assessed must be the same, and the manner of collection thereof of the fee must be uniform at all facilities, and provided, further, that if. At any location, except a public stockyard, where state weighing is performed in accordance with Laws 1974, Chapter 347 this chapter and the total annual fees collected are insufficient to pay the cost of such the weighing, the annual deficit shall be assessed and collected in such the manner as the commissioner may prescribe. Additional moneys money arising from the weighing of animals by the commissioner, which have has been collected and retained by any person, shall be paid on demand to the commissioner. All moneys money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 13. Minnesota Statutes 1982, section 17A.12, is amended to read:

17A.12 [QUALIFICATIONS.]

No weigher state livestock weighmaster shall, during his the weighmas-

ter's term of service, be in any manner financially interested in the handling, shipping, purchase, or sale of livestock, nor or in the employment of any person engaged therein.

Sec. 14. [17A.17] [AUDIT BY DEPARTMENT.]

The department may audit records, including incoming purchase records of a livestock packer and shipping weights or transfer of weight invoices, in order to ensure there are no weight discrepancies in hot weight or grade and yield transactions.

Sec. 15. [APPROPRIATION.]

There is appropriated from the general fund to the commissioner of agriculture the additional sum of \$60,000 for the biennium ending June 30, 1985, for purposes of enforcement and implementation of this act. The complement of the livestock licensing and weighing division is increased by two.

Sec. 16. [EFFECTIVE DATE.]

This act is effective July 1, 1984."

Amend the title as follows:

Page 1, line 6, delete "2, 4," and delete ", and by adding a subdivision"

Page 1, line 7, delete "17A.13;"

Page 1, line 8, delete "sections 17A.04, subdivision" and insert "section"

Page 1, line 9, delete "5; and"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1532: A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9, insert:

"Sec. 2. [32.5313] [ARTIFICIAL DAIRY PRODUCTS IN RESTAURANTS.]

Subdivision 1. [LABELING.] Artificial dairy products served in restaurants or public eating places must be clearly labeled in some manner to distinguish the artificial dairy products from genuine dairy products.

Subd. 2. [ARTIFICIAL DAIRY PRODUCTS IN PUBLIC EATING PLACES.] A restaurant or public eating place may not serve for customer use and application (1) an artificial dairy product for use as a coffee cream or whitener unless the restaurant or public eating place also offers to customers for the same purpose a genuine dairy product like cream, half and half, or a

lighter type of cream; or (2) margarine or an artificial butter product separate from an entree for use with food that is served unless butter is also offered for the same purpose.

Subd. 3. [EXCEPTION FOR VENDING MACHINES.] This section does not apply to coffee whitener sold or dispensed by a vending machine provided the machine bears a prominently placed label stating that the coffee whitener sold or dispensed is not a dairy product or is an artificial dairy product."

Amend the title as follows:

- Page 1, line 3, after the semicolon, insert "requiring restaurants to offer a genuine dairy product if certain artificial dairy products are offered; requiring labeling of certain artificial dairy products;"
- Page 1, line 4, delete "chapter" and insert "chapters" and before the period, insert "and 32"

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 2109: A resolution memorializing the International Joint Commission, the President and Congress to effectuate an agreement between Minnesota and Ontario on joint management of their border waters.

Reports the same back with the recommendation that the resolution do pass. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
- S.F. No. 1730: A bill for an act relating to agriculture; providing for an additional extension agent; proposing new law coded in Minnesota Statutes, chapter 38.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 12, before "Chisago," insert "Aitkin, Blue Earth," and after "Chisago," insert "Cottonwood, Grant, Hennepin," and after "Isanti," insert "Jackson," and after "Kanabec," insert "Lake, Lake of the Woods, Martin," and after "Mille Lacs," insert "Morrison, Pennington," and delete "and" and insert "Pipestone, Red Lake, Rock,"
- Page 1, line 13, after "Sherburne" insert ", Stearns, Steele, Stevens, Waseca, Washington, and Wilkin"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred
 - S.F. No. 1649: A bill for an act relating to agriculture; making certain

changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, delete lines 1 and 2 and insert "If a person for whom these inspections or services are to be performed requests it, the commissioner shall provide to the person in advance an estimate of the fees or expenses that will be charged."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 1879: A bill for an act relating to agriculture; regulating the bulk sale of food; proposing new law coded in Minnesota Statutes, chapter 31.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [31.80] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 1 to 10, the terms defined in this section have the meanings given them.

- Subd. 2. [BULK FOOD.] "Bulk food" means unpackaged and unwrapped food in aggregate containers from which quantities are withdrawn by the consumer, excluding fresh fruits, fresh vegetables, nuts in the shell, and food in salad bars.
- Subd. 3. [PRODUCT MODULE.] "Product module" means a multi-use or single service food contact container designed for customer self-service of bulk food by either direct or indirect means.

Sec. 2. [31.81] [SCOPE.]

Sections 1 to 10 apply to persons required to be licensed as retail food handlers under chapter 28A.

Sec. 3. [31.82] [LABELING.]

Bulk food product modules must be conspicuously labeled with the common name of the product, a list of ingredients in order of predominance, and a declaration of artificial color or flavor and any chemical preservatives contained in the product. This section does not apply to bulk food manufactured on the premises or manufactured by the same person.

Sec. 4. [31.83] [PROTECTION.]

Subdivision 1. [CONTAINERS AND DISPLAY.] Bulk food and product modules must be protected from contamination during display, customer self-service, refilling, and storage. Each product module must have a tight-

fitting lid that is kept in a closed position at all times except during stocking and customer service. Containers supplied by customers may not be used by others in a manner that contaminates bulk food. Take-home containers, including bags, cups, and lids, provided for customer use must be stored and dispensed in a sanitary manner. Pet food and non-food items must be separated from product modules and bulk food.

Subd. 2. [FOOD SOLD AS BULK FOOD.] Food that consists in whole or in part of milk or milk products, eggs, meat, poultry, fish, shellfish, edible crustacea, or other ingredients in a form capable of supporting rapid and progressive growth of infectious or toxigenic microorganisms may not be sold as bulk food. Clean, whole, uncracked, odor-free shell eggs and food that has a pH level of 4.6 or below or a water activity value of 0.85 or less at 25 degrees centigrade may be sold as bulk food. Bulk food removed from a product module by a consumer may not be offered for resale.

Sec. 5. [31.84] [DISPENSING.]

Subdivision 1. [DISPENSING DEVICES.] Bulk food may be dispensed by: mechanical dispensing devices including gravity dispensers, pumps, extruders, and augers; or manual dispensing utensils including tongs, scoops, ladles, and spatulas.

Subd. 2. [UTENSILS.] A manual dispensing utensil must have a handle long enough to avoid consumer contact with the bulk food. When not in use, dispensing utensils must be stored either in the food with the handle extended out of the food; or in a protective enclosure attached or adjacent to the display unit with the utensil on a tether of easily cleanable material short enough to prevent contact with the floor.

Sec. 6. [31.85] [CONSTRUCTION; MATERIALS.]

Subdivision 1: [PRODUCT MODULES AND UTENSILS.] Product modules and utensils must be metal or plastic and corrosion resistant, nonabsorbent, smooth, easily cleanable, and durable under conditions of normal use. They may not impart odors, color, taste, or contamination to the food. Product modules must be easily removable from the display unit for servicing unless they can be effectively cleaned and sanitized without removal by a procedure that will not contaminate bulk food or related equipment.

Subd. 2. [NON-CONTACT SURFACES.] Surfaces of product module display units, tethers, and all display equipment not intended for food contact, but exposed to food debris or other soiling, must be nonabsorbent, smooth, cleanable, durable under conditions of normal use, and free of unnecessary ledges, projections, and crevices. Tethers must be easily removable for cleaning. Racks that hold food containers must be constructed of material that is smooth, easily cleanable, and nonabsorbent. The materials for surfaces that do not come in contact with food must be nonabsorbent or made nonabsorbent by being finished and sealed with a cleanable coating.

Sec. 7. [31.86] [CLEANING FREQUENCY.]

Manual dispensing utensils and tethers must be cleaned and sanitized at least daily, or at more frequent intervals based on the type of food and the food particle accumulation or soiling. Product modules, lids, and other equipment must be cleaned prior to restocking, when soiled, or at intervals

on a schedule based on the type of food and amount of food particle accumulation. Food contact surfaces must be cleaned and sanitized immediately if contamination is observed or suspected.

Sec. 8. [31.87] [SIGN.]

A sign must be posted conspicuously within the immediate display area directing customers for health reasons to use the utensils provided when serving themselves, not to handle the food directly, and not to consume food on the premises.

Sec. 9. [31.874] [DISEASE CONTROL.]

If the commissioner of agriculture finds that a disease or foreign matter is actually transmitted by a method of dispensing bulk foods that is permitted by section 5, the commissioner may adopt temporary or permanent rules more restrictive on the sale of that food than section 5. The rules must address the specific relationship between the disease or foreign matter being transmitted and the dispensing methods permitted by section 5.

Sec. 10. [31.875] [LOCAL STANDARDS.]

A local unit of government may not adopt standards governing persons, facilities, or activities covered by sections 1 to 9 that conflict with the provisions in sections 1 to 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 560: A bill for an act relating to Cook County; permitting the sale of certain land.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "sections 92.45 and" and insert "section" and delete "or other law"

Page 1, line 11, delete ", as far as possible,"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

H.F. No. 1404: A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, delete "51 percent or" and after "more" insert "than 50 percent"

Page 1, line 15, delete "which" and insert "that"

Page 1, line 16, delete "which" and insert "that"

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 1982, section 106.531, is amended to read:

106.531 [DRAINAGE SYSTEM, USE AS OUTLET.]

After the construction of any county or judicial ditch, no public or private ditch or ditch system, either open or tiled, for the drainage of land not assessed for benefits for such ditch, shall be constructed so as to use the ditch as an outlet without having first secured express authority so to do from the county board, in the case of a system lying wholly within one county, or from the district court of the county in which a system lying wholly within one county was established, in the case where the lands for which an outlet is sought lie within another county, or from the district court that originally ordered the construction, in the case of a system extending into two or more counties. This section shall be applicable to the construction of any ditch or drain that outlets water into an existing county or judicial ditch regardless of actual physical connection. Any person desiring to so utilize an existing ditch shall petition the board or court. Upon filing the petition, the auditor, or clerk with the approval of the judge, shall fix a time and place for hearing thereon and shall give notice of the hearing by mailed notice and publication. Such auditor or clerk shall receive for mailing such notice, a fee of \$5 plus ten 30 cents for each notice in excess of ten. Upon the hearing the board or court shall consider the capacity of the outlet ditch and, if consent be given to construct the ditch or ditch system, shall fix by order the terms and conditions for the use of the ditch as an outlet and shall fix the amount that shall be paid therefor. No private ditch or ditch system shall be constructed using the ditch as an outlet until the sum fixed by the order is paid by the petitioner to the county treasurer of the county wherein petitioner's property is located. The amount so fixed for an outlet charge for any proposed public ditch or ditch system shall be deemed a part of the cost of such proposed ditch or ditch system to be paid by assessment against the lands and properties benefited by the proposed ditch or ditch system, as provided by section 106.341, and credited to the fund of the existing ditch. The order shall also describe the property to be benefited by the ditch or ditch system and shall fix the amount of benefits to such property for the outlet. The property so benefited shall be liable for assessments thereafter levied in such ditch system, on the basis of the benefits so found, the same as though such benefits had been determined in the original order establishing the ditch.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "changing the fee for mailing certain notices;"

Page 1, line 4, delete "section" and insert "sections" and before the period, insert "; and 106.531"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was re-

ferred

H.F. No. 1706: A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- S.F. No. 1661: A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Vega from the Committee on Energy and Housing, to which was referred
- H.F. No. 996: A bill for an act relating to local government; authorizing the port authorities of the cities of St. Paul and Bloomington to acquire and operate a district heating system.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

- "Section 1. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:
- Subd. 1a. [CITIES WITH OVER 50,000 INHABITANTS.] A city with over 50,000 inhabitants that is not a city of the first class is authorized to acquire, construct, improve, and operate a district heating system under the same terms and conditions as a city of the first class except as provided herein. Acquisition or construction and financing of a municipal district heating system is not subject to the election requirements of sections 452.11 and 452.12, however, a resolution for the acquisition or construction and financing must be approved by a two-thirds vote of the governing body of the city.
- Sec. 2. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:
- Subd. 7. [PORT AUTHORITIES, OWNERSHIP AND OPERATION OF DISTRICT HEATING SYSTEMS.] A port authority organized pursuant to sections 458.09 to 458.1991 or a special law may acquire, own, construct, and operate a district heating system or systems to provide heating and cooling services and other energy services within the statutory or home rule charter city within which it is created. The authority may, in conjunction with a district heating system, acquire, own, construct, and operate an energy management and control system to monitor and control users' energy demand within the city as a related ancillary function of the district heating system. The authority may, in conjunction with a district heating system,

acquire, own, construct, and operate ancillary services related to an energy management and control system including, but not limited to, sensing and monitoring services for supervision of fire and life safety systems and building security systems within the city.

This section shall be effective for a port authority only after adoption of an ordinance or resolution by the board of the port authority and by the governing body of the city stating their intention to exercise the authority allowed by this section.

A port authority may, with approval of the city, lease part or all of the district heating system or contract with respect to part or all of the district heating system, with any person, corporation, association, or public utility company for the purpose of constructing, improving, operating, or maintaining the district heating system.

- Sec. 3. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:
- Subd. 8. [MANAGEMENT OF A DISTRICT HEATING SYSTEM BY A PORT AUTHORITY.] A statutory or home rule charter city within which a port authority has been created may delegate to the port authority some or all powers and responsibilities for the management and operation of a district heating system.
- Sec. 4. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:
- Subd. 9. [OPERATION BY A COUNTY.] A statutory or home rule charter city may contract with a county to operate a district heating system for the provision of district heating services within some or all of the city."

Delete the title and insert:

"A bill for an act relating to energy; allowing port authorities to own and operate district heating systems; allowing certain cities to acquire district heating systems without election; authorizing counties to provide district heating services within cities under certain conditions; amending Minnesota Statutes 1982, section 465.74, by adding subdivisions."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 1428: A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; proposing new law coded in Minnesota Statutes, chapter 299C.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, delete "4" and insert "3"

Page 1, lines 17 and 18, delete "or disabled"

Page 1, lines 24 and 25, delete "is not with relatives or friends and that the

location of the child"

Page 1, line 25, delete "determined" and insert "located"

Page 2, line 23, delete "ANNUAL REPORT" and insert "STATISTI-CAL DATA"

Page 2, line 24, delete "issue a written report which includes" and insert "compile and make available"

Page 2, line 26, delete "The"

Page 2, delete lines 27 to 30

Page 3, line 2, after the comma, insert "a"

Page 3, line 3, delete "agencies" and insert "agency" and delete "an" and insert "a preliminary"

Page 3, line 13, delete "found" and insert "located"

Page 3, line 18, delete "Sections 1 to 3 are" and insert "Section 2 is"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

H.F. No. 1304: A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, section 609.53, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, strike "taken"

Page 2, line 12, strike "taken"

Page 2, line 15, delete "taken"

Page 3, line 5, strike "received, bought or"

Page 3, line 6, strike "concealed"

Page 3, line 9, strike "received, bought or"

Page 3, line 10, strike "concealed"

Page 3, line 13, strike "received, bought or"

Page 3, line 14, strike "concealed"

Page 3, line 17, delete "received, bought, or concealed"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred

H.F. No. 1961: A bill for an act relating to state departments and agencies:

changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete subdivision 2

Renumber the subdivisions in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was referred
- S.F. No. 1895: A bill for an act relating to state government; providing for purchase of certain computer equipment by state employees; proposing new law coded in Minnesota Statutes, chapter 16.

Reports the same back with the recommendation that the bill be amended as follows:

- Page 1, line 12, delete "must" and insert "may"
- Page 1, line 12, after "purchase" insert "for personal use"
- Page 1, line 16, after the period, insert "A vendor may provide for the purchases permitted under this section to be made through retail stores which agree to make these sales."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

- Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred
- S.F. No. 2017: A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1814 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1814 1551

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1814 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1814 and insert the language after the enacting clause of S.F. No. 1551, as amended by the Committee on Taxes and Tax Laws, adopted by the Senate March 28, 1984; further, delete the title of H.F. No. 1814 and insert the title of S.F. No. 1551, as amended.

And when so amended H.F. No. 1814 will be identical to S.F. No. 1551, and further recommends that H.F. No. 1814 be given its second reading and substituted for S.F. No. 1551, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1703 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1703 1771

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1835 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1835 1334

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 2047 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be

given its second reading and substituted for its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 2047
1967

CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No.

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1722 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1722 1833

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1722 be amended as follows:

Page 1, line 18, strike "if the victim"

Page 1, line 19, before "was" insert "if the victim"

And when so amended H.F. No. 1722 will be identical to S.F. No. 1833, and further recommends that H.F. No. 1722 be given its second reading and substituted for S.F. No. 1833, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1939 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1939 2153

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1939 be amended as follows:

Page 3, line 15, delete the new language

Page 3, lines 16 to 18, delete the new language

And when so amended H.F. No. 1939 will be identical to S.F. No. 2153, and further recommends that H.F. No. 1939 be given its second reading and substituted for S.F. No. 2153, and that the Senate File be indefinitely post-

poned.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which were referred the following appointments as reported in the Journal for March 8, 1984:

CABLE COMMUNICATIONS BOARD

Muriel Jean Runholt John Starcevic

MINNESOTA RACING COMMISSION

Ray Eliot
C. Elmer Anderson
Dan Gustafson
John H. Daniels
Kris Sanda
Rosemary Fruehling
Carol Connolly
Joyce Farrell
Lawrence Coss

PUBLIC UTILITIES COMMISSION

Cynthia Kitlinski Harry S. Crump

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which were referred the following appointments as reported in the Journal for April 9, 1984:

CABLE COMMUNICATIONS BOARD

Janna R. King Jack W. Carlson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was referred the following appointment as reported in the Journal for March 12, 1984:

CABLE COMMUNICATIONS BOARD

Judith C. Corrao

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 8, 1984:

STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION

Patricia Allinder
Alan Olson
Jane Preston
Douglas D. Knowlton
John O'Connor
Marilyn Wolfe
F.B. Daniel
JoAnn Cardenes Enos
Donald C. Ingram
Frank E. Adams
Norma McKanna

STATE UNIVERSITY BOARD

Rita M. Lewis Bernard L. Brommer

STATE DIRECTOR OF VOCATIONAL TECHNICAL EDUCATION

Joseph P. Graba

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for April 5, 1984:

STATE UNIVERSITY BOARD

Nicholas John Zuber L.E. Danford Nellie Stone Johnson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 7, 1983:

STATE BOARD FOR COMMUNITY COLLEGES

Ruth Ann W. Eaton

COUNCIL ON QUALITY EDUCATION

William F. Betzler Karen O. Schonebaum Carl A. Swenson

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 8, 1984:

COUNCIL ON QUALITY EDUCATION

Stephen P. Raukar Marvin Trammel Marcy J. Waritz

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Celeste O'Donnell Robert E. Ferguson Duane Scribner Carol Joy Kamper Patricia B. Spence Charles F. Mourin

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Earl R. Herring Carlos Lopez, Jr. Emily Anne Staples Catherine M. Warrick John A. McHugh

STATE BOARD FOR COMMUNITY COLLEGES

Clarence E. Harris Arleen Nycklemoe Rebecca L. Sawyer

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which was referred the following appointment as reported in the Journal for March 21, 1984:

STATE BOARD FOR COMMUNITY COLLEGES

Franklin W. Iossi

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Pehler from the Committee on Education, to which were referred the

following appointments as reported in the Journal for April 5, 1984:

COUNCIL ON QUALITY EDUCATION

John Huisman Judith Roy

STATE BOARD FOR COMMUNITY COLLEGES

Lee Antell James B. Collier, Jr. Richard M. Niemiec

STATE BOARD OF EDUCATION

James Hoese Joy Fogarty Ruth A. Myers

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1824 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1824 1878

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1824 be amended as follows:

Page 2, line 13, delete "11" and insert "12"

Page 4, line 24, delete "marked"

Page 6, line 3, after "1." insert "[GENERAL.]"

Page 6, line 6, after "2." insert "[SPECIFIC SERVICE SIGN.]"

Page 6, line 11, after "3." insert "[SPECIFIC SERVICE SIGN ASSEMBLY.]"

Page 6, line 15, after "4." insert "[SPECIFIC SERVICE SIGN CLUSTER.]"

Page 6, line 18, after "5." insert "[NONFREEWAY TYPE HIGH-WAY.1"

Page 6, line 21, after "6." insert "[RESORT.]"

Page 6, line 23, after "7." insert "[MOTEL.]"

Page 6, line 25, after "7a." insert "[RESTAURANT.]"

Page 6, line 27, after "8." insert "[RECREATIONAL CAMPING

AREA.]"

Page 6, line 29, after "9." insert "[LOCAL ROAD.]"

Page 6, line 30, after "10." insert "[SPECIFIC SERVICE.]"

Page 8, delete lines 25 to 30

Pages 13 to 15, delete sections 22 to 26, and insert:

"Sec. 22. [INSTRUCTIONS TO REVISOR.]

The revisor of statutes shall, in the next and subsequent editions of Minnesota Statutes, delete the headnote "INTERSTATE HIGHWAYS" from the beginning of chapter 173."

Page 15, line 17, delete "26" and insert "22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "authorizing vending machines in rest areas, tourist information centers and weigh stations on certain highways;"

Page 1, line 7, before "providing" insert "allowing vending machines in rest areas; tourist information centers, and weigh stations;"

Page 1, line 24, delete ", by adding a subdivision"

Page 1, lines 28 and 29, delete "169.01, by adding a subdivision; 169.14, subdivision 2, and by adding a subdivision;"

Page 1, lines 31 and 32, delete "sections 173.08, subdivision 1;" and insert "section"

And when so amended H.F. No. 1824 will be identical to S.F. No. 1878, and further recommends that H.F. No. 1824 be given its second reading and substituted for S.F. No. 1878, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1886 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1886 1480

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1886 be amended as follows:

Page 1, lines 23 and 24, reinstate "including appropriate"

Page 1, line 24, delete "an"

Page 1, line 25, delete "an"

Page 1, line 25, strike "who"

Page 1, line 25, delete "is"

Page 1, line 25, after "for" insert "it" and delete "a state agency,"

Page 1, line 26, delete the new language

Page 2, line 24, delete the new language

Page 2, line 25, strike "which" and insert "that"

Page 2, line 28, delete the new language

Page 2, line 29, delete "content of the data, either"

Page 3, line 21, strike "which" and insert "that"

Page 3, line 26, delete "which" and insert "that"

Page 4, line 3, strike "that"

Page 4, line 4, delete "shall be not public"

Page 4, line 9, delete "2" and strike ", clause (a)"

Page 4, line 9, insert "2" after the stricken language

Page 4, delete lines 10 to 12

And when so amended H.F. No. 1886 will be identical to S.F. No. 1480, and further recommends that H.F. No. 1886 be given its second reading and substituted for S.F. No. 1480, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 2238 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 2238 2061

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2238 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2238 and insert the language after the enacting clause of S.F. No. 2061, as amended by the Committee on Agriculture and Natural Resources, adopted by the Senate April 5, 1984; further, delete the title of H.F. No. 2238 and insert the title of S.F. No. 2061, as amended.

And when so amended H.F. No. 2238 will be identical to S.F. No. 2061, and further recommends that H.F. No. 2238 be given its second reading and substituted for S.F. No. 2061, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1445 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1445

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1445 be amended as follows:

Page 1, line 20, after the stricken "or" delete the comma and insert "and" and after "replacement" strike the comma

Page 1, line 21, delete the new language

And when so amended H.F. No. 1445 will be identical to S.F. No. 1402, and further recommends that H.F. No. 1445 be given its second reading and substituted for S.F. No. 1402, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1850 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1850 2040

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1850 be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1982, section 125.12, subdivision 4, is amended to read:

Subd. 4. [TERMINATION OF CONTRACT AFTER PROBATIONARY PERIOD.] A teacher who has completed his probationary period in any school district, and who has not been discharged or advised of a refusal to renew his contract pursuant to subdivision 3, shall have a continuing contract with such district. Thereafter, the teacher's contract shall remain in full force and effect, except as modified by mutual consent of the board and the teacher, until terminated by a majority roll call vote of the full membership of the board prior to April 1 upon one of the grounds specified in subdivision 6

or prior to June 1 upon one of the grounds specified in subdivisions 6a or 6b, or until the teacher is discharged pursuant to subdivision 8, or by the written resignation of the teacher submitted prior to April 1; provided, however, that if an agreement as to the terms and conditions of employment for the succeeding school year has not been adopted pursuant to the provisions of sections 179.61 to 179.76 prior to March 1, the teacher's right of resignation shall be extended to the 30th calendar day following the adoption of said contract in compliance with section 179.70, subdivision 2. Such written resignation by the teacher shall be effective as of June 30 if submitted prior to that date and the teachers' right of resignation for the school year then beginning shall cease on July 15. Before a teacher's contract is terminated by the board, the board shall notify the teacher in writing and state its ground for the proposed termination in reasonable detail together with a statement that the teacher may make a written request for a hearing before the board within 14 days after receipt of such notification. Within 14 days after receipt of this notification the teacher may make a written request for a hearing before the board and it shall be granted upon reasonable notice to the teacher of the date set for hearing, before final action is taken. If no hearing is requested within such period, it shall be deemed acquiescence by the teacher to the board's action. Such termination shall take effect at the close of the school year in which the contract is terminated in the manner aforesaid. Such contract may be terminated at any time by mutual consent of the board and the teacher and this section shall not affect the powers of a board to suspend, discharge, or demote a teacher under and pursuant to other provisions of law."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "125.12, subdivision 4;"

And when so amended H.F. No. 1850 will be identical to S.F. No. 2040, and further recommends that H.F. No. 1850 be given its second reading and substituted for S.F. No. 2040, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1781 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. 1781 1411

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1781 be amended as follows:

Page 5, after line 15, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

And when so amended H.F. No. 1781 will be identical to S.F. No. 1411, and further recommends that H.F. No. 1781 be given its second reading and substituted for S.F. No. 1411, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1533 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1533 1557

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1533 be amended as follows:

Page 1, line 16, delete "by" and insert "in addition to that which is required for"

And when so amended H.F. No. 1533 will be identical to S.F. No. 1557, and further recommends that H.F. No. 1533 be given its second reading and substituted for S.F. No. 1557, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1466 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1466 1285

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1466 be amended as follows:

Page 2, after line 21, insert:

- "Sec. 3. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 7. [NOTICE OF COSTS ON REMOVAL.] A notice of order for judgment shall contain a statement that if the cause is removed to county court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevail-

ing party on appeal is not the aggrieved party in the original action.

- Sec. 4. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:
- Subd. 8. [COSTS AND DISBURSEMENTS FOR PREVAILING PARTY ON REMOVAL.] (a) The prevailing party in a removed cause may tax and recover from the other party costs as provided by rules of the supreme court; except that if the prevailing party, on appeal, is not the aggrieved party in the original action, the court may, in its discretion, allow such prevailing party to tax and recover from the aggrieved party an amount not to exceed \$50 as costs.
- (b) For the purpose of this subdivision, an "aggrieved party" means the party who demands removal to county court and means the first party who serves, or files in lieu of serving, a demand for removal if another party also demands removal, and an "opposing party" means any party as to whom the aggrieved party seeks a reversal in whole or in part by removal of the cause to county court.
 - (c) The aggrieved party is the prevailing party in county court:
- (1) If the aggrieved party recovers any amount or any property in county court when the aggrieved party had been denied recovery of any amount or any property by the conciliation judge,
- (2) If the opposing party does not recover any amount or any property from the aggrieved party in county court when the opposing party had recovered some amount or some property by the order of the conciliation judge,
- (3) If the aggrieved party recovers an amount or value of property in county court which is at least \$25 in excess of the amount or value of property which the aggrieved party recovered by the order of the conciliation judge, or
- (4) If the opposing party recovers from the aggrieved party an amount or value of property in county court which is at least \$25 less than the amount or value of property which the opposing party recovered by the order of the conciliation judge.
- (d) In all other situations the opposing party shall be deemed to be the prevailing party in county court.
- (e) Costs or disbursements in the conciliation or county court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision."
 - Page 3, after line 13, insert:
- "Sec. 6. Minnesota Statutes 1982, section 488A.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The clerk shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover

from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action."

Page 4, after line 34, insert:

"Sec. 9. Minnesota Statutes 1982, section 488A.33, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF ORDER.] The administrator shall promptly mail to each party a notice of the order for judgment which the judge enters. The notice shall state the number of days allowed for obtaining an order to vacate where there has been a default or for removing the cause to municipal court. The notice shall also contain a statement that if the cause is removed to municipal court, the court may, in its discretion, allow the prevailing party to recover from the aggrieved party an amount not to exceed \$50 as costs if the prevailing party on appeal is not the aggrieved party in the original action."

Page 5, after line 35, insert:

- "Sec. 11. Minnesota Statutes 1982, section 488A.34, subdivision 9, is amended to read:
- Subd. 9. [COSTS AND DISBURSEMENTS FOR PREVAILING PARTY.] (a) The prevailing party in a removed cause may tax and recover from the other party costs and disbursements as though the action was originally commenced in the municipal court; except that if the prevailing party, on appeal, is not the aggrieved party in the original action, the court may, in its discretion, allow such prevailing party to tax and recover from the aggrieved party an amount not to exceed \$50 as costs.
- (b) For the purpose of this subdivision, an "aggrieved party" means the party who demands removal to municipal court and means the first party who serves, or files in lieu of serving, a demand for removal if another party also demands removal, and an "opposing party" means any party as to whom the aggrieved party seeks a reversal in whole or in part by removal of the cause to municipal court.
 - (c) The aggrieved party is the prevailing party in municipal court:
- (1) If the aggrieved party recovers any amount or any property in municipal court when the aggrieved party had been denied recovery of any amount or any property by the conciliation judge,
- (2) If the opposing party does not recover any amount or any property from the aggrieved party in municipal court when the opposing party had recovered some amount or some property by the order of the conciliation judge,
- (3) If the aggrieved party recovers an amount or value of property in municipal court which is at least \$25 in excess of the amount or value of property which the aggrieved party recovered by the order of the conciliation judge, or
- (4) If the opposing party recovers from the aggrieved party an amount or value of property in municipal court which is at least \$25 less than the amount or value of property which the opposing party recovered by the order of the conciliation judge.
- (d) In all other situations the opposing party shall be deemed to be the prevailing party in municipal court.

(e) Costs or disbursements in the conciliation or municipal court shall not be considered in determining whether there was a recovery by either party in either court or in determining the difference in recovery under this subdivision."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after "sections" insert "487.30, by adding subdivisions;"

Page 1, line 7, delete the second "subdivision" and insert "subdivisions 1 and"

Page 1, line 8, delete "487.30, by adding subdivisions;"

Page 1, line 9, delete "and" and the second "subdivision" and insert "subdivisions 1 and"

Page 1, line 9, before the period insert "; and 488A.34, subdivision 9"

And when so amended H.F. No. 1466 will be identical to S.F. No. 1285, and further recommends that H.F. No. 1466 be given its second reading and substituted for S.F. No. 1285, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1553 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1553

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1553 be amended as follows:

Pages 1 to 3, delete sections 1 and 2

Page 4, line 29, delete ", improve,"

Page 4, lines 32 and 33, delete "provided that projects may be carried out under the powers granted in chapter" and insert "pursuant to chapters"

Page 4, line 33, delete "or" and insert "and" and delete "and that" and insert "but"

Page 4, line 35, delete "and"

Page 5, line 31, delete the first comma

Page 5, line 31, delete ", for this purpose,"

Page 5, line 32, delete the comma

Page 5, line 33, delete the first "the"

Page 6, line 34, delete the comma

Page 7, line 1, delete the comma

Page 11, line 2, delete "(e)" and insert "(e)"

Page 11, line 4, delete the stricken "(e)"

Page 11, after line 36, insert:

"Sec. 9. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 3 and 4, delete "and local government units"

Page 1, line 7, delete "112.37, subdivision 7; 112.42, subdivision 3;"

Page 1, line 9, delete "and"

And when so amended H.F. No. 1553 will be identical to S.F. No. 1554, and further recommends that H.F. No. 1553 be given its second reading and substituted for S.F. No. 1554, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1425 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1425 1450

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1425 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1425 and insert the language after the enacting clause of S.F. No. 1450, as amended by the Committee on Agriculture and Natural Resources, adopted by the Senate April 2, 1984; further, delete the title of H.F. No. 1425 and insert the title of S.F. No. 1450, as amended.

And when so amended H.F. No. 1425 will be identical to S.F. No. 1450, and further recommends that H.F. No. 1425 be given its second reading and substituted for S.F. No. 1450, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

- Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred
- H.F. No. 1420 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR
H.F. No. S.F. No. H.F. No. S.F. No. H.F. No. S.F. No. 1420 1987

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1420 be amended as follows:

Page 2, line 4, delete everything after "action"

Page 2, delete line 5

Page 2, delete lines 29 and 30

And when so amended H.F. No. 1420 will be identical to S.F. No. 1987, and further recommends that H.F. No. 1420 be given its second reading and substituted for S.F. No. 1987, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1366: A bill for an act relating to nonjudicial resolution of disputes; establishing community dispute resolution centers; creating a board of community dispute resolution to disburse funds to centers; providing for referral of civil, juvenile, and criminal matters to centers; appropriating money; proposing new law coded in Minnesota Statutes, chapters 13 and 494.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [494.02] [COMMUNITY DISPUTE RESOLUTION PROGRAM.]

Subdivision 1. [DEFINITION.] For the purposes of sections 1 through 4 "dispute resolution" means a process voluntarily entered by parties in disagreement using conciliation, mediation, or arbitration to reconcile the parties' differences. An individual who has been adjudicated incompetent, is under judicial commitment pursuant to chapter 253B, or is under guardianship or conservatorship of the person may not participate in a dispute resolution process.

Subd. 2. [ESTABLISHMENT; ADMINISTRATION.] The community dispute resolution program shall be established and administered by the state court administrator's office. The state planning agency shall provide advice and technical assistance upon the request of any public agency or nonprofit

organization engaged in establishing a community dispute resolution program.

- Subd. 3. [GUIDELINES.] The state court administrator shall develop guidelines governing the establishment of community dispute resolution programs and training programs for mediators and arbitrators for those community dispute resolution programs. The guidelines shall provide a method for insuring that participation in dispute resolution is voluntary. The guidelines shall apply to dispute resolution programs seeking court referrals and include procedures for case processing and program certification criteria which must be met in order to receive court referrals. The guidelines shall require programs to exclude all matters involving violence against a person and shall include standards for training mediators to recognize such situations. Any guidelines developed under this subdivision shall be submitted to the chairmen of the judiciary committees in the house of representatives and senate by February 1, 1985. The guidelines shall not constitute a rule nor shall they be a substantive or procedural law.
- Subd. 4. [REPORTS.] By August 1 of each year, each community dispute resolution program established pursuant to this section shall provide the state court administrator with statistical data regarding the operation budget, the number of referrals, categories or types of cases referred, number of parties served, number of disputes resolved, nature of resolution, amount and type of awards, rate of compliance, returnees to the dispute resolution process, duration and estimated costs of proceedings, and any other information that is required.

Sec. 2. [494.03] [CONFIDENTIALITY OF COMMUNICATIONS.]

Any communication relating to the subject matter of the resolution process by any participant during dispute resolution shall not be used as evidence against a participant in a judicial or administrative proceeding. This shall not preclude the use of evidence obtained by other independent investigation.

Sec. 3. [494.04] [EXCLUSIONS.]

A community dispute resolution center may not accept for resolution, either before or after the effective date of guidelines adopted pursuant to section 1, any dispute involving violence against persons, including incidents arising out of situations that would support charges under sections 609.342 to 609.345, 609.3641 to 609.3644, or 609.365, or any matter relating to guardianship, conservatorship, or civil commitment, or any matter involving neglect or dependency, or any matter involving termination of parental rights arising under sections 260.221 to 260.245, or any matter arising under section 626.557 or sections 144.651 to 144.652, or any dispute subject to chapters 518, 518A, 518B, and 518C, whether or not an action is pending. A department of court services may accept for resolution a dispute arising under chapters 518, 518A, 518B, and 518C. This shall not restrict the present authority of the court from referring disputes arising under chapters 518, and 518A to for-profit mediation.

Sec. 4. [13.88] [COMMUNITY DISPUTE RESOLUTION CENTER DATA.]

All memoranda, agreements, files, and other work products relating to a community dispute resolution program case are classified as private data on

individuals, pursuant to section 13.02, subdivision 12, with the following exception:

When an agreement is between two parties either of whom has been formally charged with a criminal offense, the data are classified as public data on individuals, pursuant to section 13.02, subdivision 15.

Dispute resolution program data relating to suspected neglect or physical or sexual abuse of children or vulnerable adults are subject to the reporting requirements of sections 626.556 and 626.557.

Sec. 5. [STATE COURT ADMINISTRATOR REPORT.]

By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committee in the house and in the senate the experience to date with dispute resolution programs established pursuant to section I and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.

Sec. 6. [APPROPRIATION.]

The sum of \$47,500 is appropriated from the general fund to the state court administrator for the fiscal year ending June 30, 1985, for the purposes of sections 1 to $\tilde{5}$.

Sec. 7. [EFFECTIVE DATE.]

Sections I to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to voluntary nonjudicial resolution of disputes; establishing a community dispute resolution program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 13; and proposing new law coded as Minnesota Statutes, chapter 494."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1962, 2109, 1649, 1879, 1661 and 2017 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1532, 560, 1404, 1706, 996, 1428, 1304, 1961, 1814, 1703, 1835, 2047, 1722, 1939, 1824, 1886, 2238, 1445, 1850, 1781, 1533, 1466, 1553, 1425 and 1420 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frank moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1390. The motion prevailed.

Mr. Wegscheid moved that the names of Ms. Peterson, D.C. and Mr. Pogemiller be added as co-authors to S.F. No. 1880. The motion prevailed.

Mr. Schmitz moved that H.F. No. 2038 be withdrawn from the Committee

on Local and Urban Government and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 2149, now on Special Orders. The motion prevailed.

CONFIRMATION

- Mr. Hughes moved that the report from the Committee on Elections and Ethics, reported March 15, 1984, pertaining to appointments, be taken from the table. The motion prevailed.
- Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.
- Mr. Hughes moved that in accordance with the report from the Committee on Elections and Ethics, reported March 15, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE ETHICAL PRACTICES BOARD

Judith G. Schotzko, Rural Route #1, Blue Earth, Faribault County, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Jeff Bertram, Route 1, Box 88, Paynesville, Stearns County, effective June 6, 1983, for a term expiring the first Monday in January, 1987.

Mary Smith, 515 N. Ferndale, Wayzata, Hennepin County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Harmon T. Ogdahl, 5026 Morgan Ave. S., Minneapolis, Hennepin County, effective February 15, 1984, for a term expiring the first Monday in January, 1988.

Mr. Laidig requested that the confirmation of Jeff Bertram be divided out.

The question was taken on the motion of Mr. Hughes to confirm the remaining appointments. The motion prevailed. So the appointments were confirmed.

The question was taken on the adoption of the motion to confirm the appointment of Jeff Bertram.

The roll was called, and there were yeas 37 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins Bertram Chmielewski	Dieterich Frank Hughes	Lessard Luther Merriam	Peterson, D.C. Peterson, R.W. Petty	Spear Stumpf Vega
Dahl Davis	Johnson, D.E. Johnson, D.J.	Moe, R. D. Nelson	Purfeerst Reichgott	Waldorf Willet
DeCramer	Jude	Novak	Samuelson	
Dicklich	Kroening	Pehler	Schmitz	
Diessner	Langseth	Peterson, C.C.	Solon	

Those who voted in the negative were:

Anderson	Brataas	Knaak	Mehrkens	Renneke
Belanger	Frederick	Knutson	Olson	Sieloff
Benson	Frederickson	Kronebusch	Peterson, D.L.	Storm
Berg	Isackson	Laidig	Pogemiller	Taylor
Bernhagen	Kamrath	McQuaid	Ramstad	Ulland

The motion did not prevail. So the appointment was not confirmed.

CONFIRMATION

Mr. Moe, D.M. moved that the report from the Committee on Governmental Operations, reported March 19, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Moe, D.M. moved that the foregoing report be now adopted. The motion prevailed.

Mr. Moe, D.M. moved that in accordance with the report from the Committee on Governmental Operations, reported March 19, 1984, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE PLANNING AGENCY DIRECTOR

Thomas J. Triplett, 2415 Sheridan Ave. S., Minneapolis, Hennepin County, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Veterans and General Legislation, reported March 19, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Veterans and General Legislation, reported March 19, 1984, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF VETERANS' AFFAIRS COMMISSIONER

William J. Gregg, 1719 W. Skillman Ave., St. Paul, Ramsey County, effective July 5, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Veterans and General Legislation, reported April 9, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Veterans and General Legislation, reported April 9, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

BOARD OF THE ARTS

Siah Armajani, 11 Kenwood Pky., St. Paul, Ramsey County, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

Katherine B. Murphy, 3139 S. Rivershore Dr., Moorhead, Clay County, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

Carole Risselada Achterhof, Rural Route #2, Luverne, Rock County, effective June 17, 1983, for a term expiring the first Monday in January, 1987.

Karen M. Ransom, 230 Oak Grove St., Minneapolis, Hennepin County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Karen B. Gray, 222 Highway 44 East, Spring Grove, Houston County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

Ludmilla Sahlstrom, 106 Golf Terrace Dr., Crookston, Polk County, effective January 3, 1984, for a term expiring the first Monday in January, 1988.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Purfeerst moved that the report from the Committee on Transportation, reported March 21, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Purfeerst moved that the foregoing report be now adopted. The motion prevailed.

Mr. Purfeerst moved that in accordance with the report from the Committee on Transportation, reported March 21, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

TRANSPORTATION REGULATION BOARD

Roger Laufenburger, Box 338, Lewiston, Winona County, effective August 9, 1983, for a term expiring the first Monday in January, 1985.

John E. Moran, 13701 Shirley Dr., Burnsville, Dakota County, effective August 9, 1983, for a term expiring the first Monday in January, 1987.

Lorraine Mayasich, 1052 S. Moon Lake Dr., Eveleth, St. Louis County, effective August 9, 1983, for a term expiring the first Monday in January, 1989.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Solon moved that the report from the Committee on Economic Development and Commerce, reported April 2, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Solon moved that the foregoing report be now adopted. The motion prevailed.

Mr. Solon moved that in accordance with the report from the Committee on Economic Development and Commerce, reported April 2, 1984, the Senate,

having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF COMMERCE COMMISSIONER

Michael Hatch, 1042 Naumkeag, Shakopee, Scott County, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

- Mr. Solon moved that the report from the Committee on Economic Development and Commerce, reported April 5, 1984, pertaining to appointments, be taken from the table. The motion prevailed.
- Mr. Solon moved that the foregoing report be now adopted. The motion prevailed.
- Mr. Solon moved that in accordance with the report from the Committee on Economic Development and Commerce, reported April 5, 1984, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT COMMISSIONER

Mark Dayton, 4225 E. Lake Harriet Blvd., Minneapolis, Hennepin County, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 51 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins Anderson Berg Berglin Bernhagen Bertram Brataas Chmielewski Dahl	Dicklich Diessner Dieterich Frank Frederick Frederickson Freeman Hughes Johnson, D.J.	Kroening Kronebusch Langseth Lantry Lessard Luther Moe, D. M. Moe, R. D. Nelson	Pehler Peterson, C. C. Peterson, D. C. Peterson, R. W. Petty Pogemiller Purfeerst Ramstad Reichgott	Schmitz Solon Spear Taylor Vega Waldorf Willet
			Ramstad Reichgott	
Davis	Kamrath	Novak	Renneke	
DeCramer	Knutson	Olson	Samuelson	

Those who voted in the negative were:

Benson Knaak McQuaid Sieloff Ulland

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

- Mr. Chmielewski moved that the report from the Committee on Employment, reported April 9, 1984, pertaining to appointments, be taken from the table. The motion prevailed.
 - Mr. Chmielewski moved that the foregoing report be now adopted. The

motion prevailed.

Mr. Chmielewski moved that in accordance with the report from the Committee on Employment, reported April 9, 1984, the Senate, having given its advice, do now consent to and confirm the appointment of:

WORKERS' COMPENSATION COURT OF APPEALS

Mahlon F. Hanson, 300 Harold Dr., Burnsville, Dakota County, effective September 14, 1983, for a term expiring January 1, 1989.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Pehler moved that the report from the Committee on Education, reported April 9, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Pehler moved that the foregoing report be now adopted. The motion prevailed.

Mr. Pehler moved that in accordance with the report from the Committee on Education, reported April 9, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE BOARD OF EDUCATION

John B. Buckanaga, 1006 Augusta Dr. N.E., Bemidji, Beltrami County, effective January 17, 1984, for a term expiring the first Monday in January, 1988.

Jewell Lewis, 2026 Hazelwood, St. Paul, Ramsey County, effective January 18, 1984, for a term expiring the first Monday in January, 1988.

DEPARTMENT OF EDUCATION COMMISSIONER

Ruth Randall, 5135 - 148th St. W., Apple Valley, Dakota County, effective July 1, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Schmitz moved that the report from the Committee on Local and Urban Government, reported April 9, 1984, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Schmitz moved that the foregoing report be now adopted. The motion prevailed.

Mr. Schmitz moved that in accordance with the report from the Committee on Local and Urban Government, reported April 9, 1984, the Senate, having given its advice, do now consent to and confirm the appointments of:

METROPOLITAN COUNCIL

Liz (Mary E.) Anderson, 914 Parkview, St. Paul, Ramsey County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Dirk DeVries, 18600 Woolman Dr., Minnetonka, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Mary M. Hauser, 616 Hall Ave., Birchwood, Washington County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Josephine D. Nunn, 401 Elm Creek Rd., Champlin, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Carol Wold Sindt, 1323 Bayard Ave., St. Paul, Ramsey County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Charles W. Wiger, 2630 E. Burke Ave., North St. Paul, Ramsey County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Alton J. Gasper, 5406 Hampshire Dr., Minneapolis, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1985.

Marcia Bennett, 654 - 48th Ave. N.E., Columbia Heights, Anoka County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Joan M. Campbell, 947 - 17th Ave. S.E., Minneapolis, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Philip C. Carruthers, 7852 Yates Ave. N., Brooklyn Park, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Carol Flynn, 4741 Elliot Ave. S., Minneapolis, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Raymond J. Joachim, 109 W. 6th St., Jordan, Scott County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Michael William McLaughlin, 275 Summit Ave., St. Paul, Ramsey County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Patrick J. Scully, 1617 Ashland St., Hastings, Dakota County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

Gertrude Ulrich, 7601 Aldrich Ave. S., Minneapolis, Hennepin County, effective June 16, 1983, for a term expiring the first Monday in January, 1987.

The motion prevailed. So the appointments were confirmed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and the Consent Calendar. The motion prevailed.

CALENDAR

H.F. No. 1408: A bill for an act relating to public safety; traffic regulations;

regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dieterich Kronebusch Peterson, D.C. Spear Anderson Frank Laidig Peterson, D.L. Storm Belanger Frederick Langseth Peterson, R.W. Stumpf Berg Frederickson Lantry Taylor Berglin Freeman Lessard Pogemiller Ulland Bernhagen Hughes Luther Purfeerst Vega Waldorf Bertram Isackson **McQuaid** Ramstad Johnson, D.E. Chmielewski Mehrkens Reichgott Wegscheid Dahl Johnson, D.J. Moe, D. M. Renneke Willet **Davis** Jude Moe, R. D. Samuelson DeCramer Knaak Novak Schmitz Dicklich Knutson Olson Sieloff Kroening Pehler Solon Diessner

So the bill passed and its title was agreed to.

S.F. No. 1628: A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins Dieterich Kroening Moe, R. D. Solon Berglin Frank Kronebusch Pehler Spear Peterson, D.C. Frederickson Stumpf Bertram Langseth Lantry Dahl Freeman Peterson, R.W. Taylor Lessard Petty Vega Davis Hughes Pogemiller Waldorf Johnson, D.J. DeCramer Luther Wegscheid Dicklich hide McQuaid Purfeerst Diessner Knaak Moe, D. M. Reichgott Willet

Those who voted in the negative were:

Anderson Frederick Mehrkens Renneke Ulland Isackson Novak Samuelson Belanger Johnson, D.E. Schmitz Berg Olson Bernhagen Peterson, D.L. Sieloff Knutson Chmielewski Laidig Ramstad Storm

So the bill passed and its title was agreed to.

S.F. No. 1332: A bill for an act relating to education; authorizing a school board to expend district funds to establish and operate a nonprofit corporation; requiring the corporation to assist and cooperate with the school board; providing certain limitations on the amount of district funds; requiring district reports to the commissioner of education; requiring a report to the legislature; amending Minnesota Statutes 1982, section 123.35, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Laidig	Peterson, D.C.	Spear
Anderson	Frederick	Langseth	Peterson, D.L.	Storm
Belanger	Frederickson	Lantry	Peterson, R.W.	Stumpf
Berglin	Freeman	Lessard	Petty	Taylor
Bernhagen	Hughes	Luther	Pogemiller	Ulland
Bertram	Isackson	McQuaid	Purfeerst	Vega
Chmielewski	Johnson, D.E.	Mehrkens	Ramstad	Waldorf
Dahl	Johnson, D.J.	Merriam	Reichgott	Wegscheid
Davis	Jude	Moe, D. M.	Renneke	Willet
DeCramer	Knaak	Moe, R. D.	Samuelson	
Dicklich	Knutson	Novak	Schmitz	
Diessner	Kroening	Olson	Sieloff	
Dieterich	Kronebusch	Pehler	Solon	

So the bill passed and its title was agreed to.

S.F. No. 1466: A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; and 197.447.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kroening	Pehler	Solon
Anderson	Frederick	Kronebusch	Peterson, C.C.	Storm
Belanger	Frederickson	Laidig	Peterson, D.L.	Stumpf
Berg	Freeman	Langseth	Peterson, R. W.	Taylor
Bernhagen	Hughes	Lantry	Purfeerst	Ulĺand
Bertram	Isackson	Lessard	Ramstad	Waldorf
Chmielewski	Johnson, D.E.	Luther	Reichgott	Wegscheid
Dahl	Johnson, D.J.	McQuaid	Renneke	Willet
Davis	Jude	Mehrkens	Samuelson	
DeCramer	Knaak	Novak	Schmitz	
Dicklich	Knutson	Olson	Sieloff	

Those who voted in the negative were:

Berglin	Frank	Moe, D. M.	Peterson D.C.	Spear
Dieterich	Merriam	Moe, R. D.	Petty	Vega

So the bill passed and its title was agreed to.

S.F. No. 1474: A bill for an act relating to natural resources; expanding the trout stamp program to include trout lakes and Lake Superior; reducing the

age requirement for obtaining a trout stamp; amending Minnesota Statutes 1982, section 97.4842.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 18, as follows:

Those who voted in the affirmative were:

Berg	Frederick	Lantry	Peterson, D.C.	Solon
Berglin	Frederickson	Luther	Peterson, D.L.	Spear
Bernhagen	Freeman	McQuaid	Petty	Storm
Bertram	Hughes	Merriam	Pogemiller	Stumpf
Chmielewski	Johnson, D.E.	Moe, D. M.	Purfeerst	Wegscheid
Dahl	Johnson, D.J.	Moe, R. D.	Ramstad	Willet
DeCramer	Knaak	Novak	Reichgott	
Dicklich	Knutson	Olson	Renneke	
Diessner	Laidig	Pehler	Schmitz	
Dieterich	Langseth	Peterson, C.C.	Sieloff	

Those who voted in the negative were:

Adkins	Frank	Kroening	Peterson, R.W.	Vega
Anderson	Isackson	Kronebusch	Samuelson	Waldorf
Belanger	Jude	Lessard	Taylor	
Davis	Kamrath	Mehrkens	Ulfand	

So the bill passed and its title was agreed to.

S.F. No. 1589: A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olson	Schmitz
Anderson	Frank	Kronebusch	Pehler	Sieloff
Belanger	Frederick	Laidig	Peterson, C.C.	Solon
Berg	Frederickson	Langseth	Peterson, D.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.L.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Davis	Jude	Merriam	Ramstad	Waldorf
DeCramer	Kamrath	Moe, D. M.	Reichgott	Wegscheid
Dicklich	Knaak	Moe, R. D.	Renneke	Willet
Diessner	Knutson	Novak	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 1112: A bill for an act relating to drainage; eliminating the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Frank	Kronebusch	Pehler	Solon
Frederick	Laidig	Peterson, C.C.	Spear
Frederickson	Langseth	Peterson, D.C.	Storm
Freeman	Lantry	Peterson, D.L.	Stumpf
Hughes	Lessard	Peterson, R.W.	Taylor
Isackson	Luther	Petty	Ulland
Johnson, D.E.	McQuaid	Pogemiller	Vega
Johnson, D.J.	Mehrkens	Purfeerst	Waldorf
Jude	Merriam	Ramstad	Wegscheid
Kamrath	Moe, D. M.	Renneke	Willet
Knaak	Moe, R. D.	Samuelson	
Knutson	Novak	Schmitz	
Kroening	Olson	Sieloff	
	Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath Knaak Knutson	Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Jude Kamrath Knaak Knutson Laidig Landig Mexsard Luther McQuaid Mehrkens Merriam Moe, D. M. Moe, R. D. Knutson Novak	Frederick Frederickson Frederickson Frederickson Frederickson Frederickson Frederickson Frederickson Frederickson Frederickson Frederick

So the bill passed and its title was agreed to.

S.F. No. 1590: A bill for an act relating to natural resources; increasing the penalty on owners and keepers of certain dogs; authorizing peace officers to take certain actions; prohibiting damages against peace officers who take those actions; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Diessner	Kroening	Olson	Schmitz
Belanger	Dieterich	Kronebusch	Pehler	Sieloff
Benson	Frank	Laidig	Peterson, C.C.	Solon
Berg	Frederick	Langseth	Peterson, D.C.	Spear
Berglin	Frederickson	Lantry	Peterson, D.L.	Storm
Bernhagen	Freeman	Lessard	Peterson, R.W.	Stumpf
Bertram	Hughes	Luther	Petty	Taylor
Brataas	Isackson	McQuaid	Pogemiller	Ulland
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Dahl	Johnson, D.J.	Merriam	Ramstad	Waldorf
Davis	Jude	Moe, D. M.	Reichgott	Wegscheid
DeCramer	Kamrath	Moe, R. D.	Renneke	Willet
Dicklich	Knutson	Novak	Samuelson	

Mr. Knaak voted in the negative.

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H.F. No. 1371: A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

Pursuant to Rule 9, there being three objectors, H.F. No. 1371 was stricken from the Consent Calendar and placed at the bottom of General Orders.

H.F. No. 1325: A bill for an act relating to county law libraries; permitting

the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Diessner Moe. R. D. Sieloff Anderson Belanger Dieterich Knutson Olson Spear Benson Frank Kroening Pehler Stumpf Peterson, D.C. Taylor Berglin Frederick Kronebusch Bernhagen Frederickson Laidig Peterson.D.L. Ulland Bertram Vega Freeman Langseth Petty Waldorf Pogemiller Brataas Hughes Lantry Chmielewski Lessard Ramstad Wegscheid Isackson Johnson, D.E. Reichgott Willet Dahl Luther Davis Johnson, D.J. McQuaid Renneke Samuelson DeCramer Jude Mehrkens Dicklich Kamrath Меттіат Schmitz

Mr. Peterson, R.W. voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Petty moved that S. F. No. 2178 be withdrawn from the Committee on Agriculture and Natural Resources and re-referred to the Committee on Rules and Administration. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

SPECIAL ORDER

S.F. No. 1351: A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Peterson, C.C. Knaak Solon Dicklich Adkins Peterson, D.C. Spear Anderson Diessner Knutson Benson Dieterich Kroening Peterson, D.L. Stumpf Peterson, R.W. Taylor Frank Kronebusch Berg Petty Utland Berglin Frederick Laidig Frederickson Langseth Pogemiller Vega Bernhagen Waldorf Lessard Purfeerst Bertram Freeman Wegscheid **Brataas** Hughes Luther Ramstad McOuaid Reichgott Chmielewski Isackson Johnson, D.E. Merriam Renneke Dahl Samuelson Moe, R. D. Davis Jude Kamrath Olson Sieloff DeCramer

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1576: A bill for an act relating to military justice; modifying the appeal of court-martial proceedings; clarifying when a military judge may issue search warrants; amending Minnesota Statutes 1982, sections 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Paterson C.C

Cman

Those who voted in the affirmative were:

TS1-1-11-1-1

Adkins	Dicklich	Knuison	reterson, C.C.	Spear
Anderson	Diessner	Kroening	Peterson, D.C.	Stumpf
Benson	Dieterich	Kronebusch	Peterson, D.L.	Taylor
Berg	Frank	Laidig	Peterson, R.W.	Ulland
Berglin	Frederick	Langseth	Petty	Vega
Bernhagen	Frederickson	Lantry	Purfeerst	Waldorf
Bertram	Hughes	Lessard	Ramstad	Wegscheid
Brataas	Isackson	Luther	Reichgott	Willet
Chmielewski	Johnson, D.E.	McOuaid	Renneke	
Dah!	Jude	Merriam	Samuelson	
	Kamrath	Moe, R. D.	Sieloff	
Davis				
DeCramer	Knaak	Olson	Solon	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1330: A bill for an act relating to landlords and tenants; providing for recovery by the tenant from the landlord of damages and attorney's fees for unlawful ouster or exclusion from residential premises; proposing new law coded in Minnesota Statutes, chapter 504.

Mr. Sieloff moved to amend S.F. No. 1330 as follows:

Page 1, line 14, after "landlord" insert "up to"

The motion prevailed. So the amendment was adopted.

S.F. No. 1330 was then progressed.

SPECIAL ORDER

H.F. No. 1813: A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

[75TH DAY

DeCramer	Knaak	Olson	Spear
Dicklich	Knutson	Pehler	Storm
Dieterich	Kroening	Peterson, C.C.	Stumpf
Frank	Kronebusch	Peterson, D.C.	Taylor
Frederickson	Laidig	Peterson, D.L.	Ulland
Freeman	Lantry	Peterson, R.W.	Vega
Hughes	Lessard	Petty	Wegscheid
Isackson	Luther	Pogemiller	Willet
Johnson, D.E.	McQuaid	Ramstad	
Jude	Merriam	Reichgott	
Kamrath	Nelson	Renneke	
	Dicklich Dieterich Frank Frederickson Freeman Hughes Isackson Johnson, D.E. Jude	Dicklich Knutson Dieterich Kroening Frank Kronebusch Frederickson Laidig Freeman Lantry Hughes Lessard Isackson Luther Johnson, D.E. McQuaid Jude Merriam	Dicklich Knutson Pehler Dieterich Kroening Peterson, C.C. Frank Kronebusch Peterson, D.C. Frederickson Laidig Peterson, D.L. Freeman Lantry Peterson, R.W. Hughes Lessard Petty Isackson Luther Pogemiller Johnson, D.E. McQuaid Ramstad Jude Merriam Reichgott

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1588: A bill for an act relating to the environment; clarifying a definition in the Environmental Response and Liability Act; amending Minnesota Statutes 1983 Supplement, section 115B.02, subdivision 15.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Knaak	Nelson	Samuelson
Anderson	Dicklich	Knutson	Novak	Schmitz
Belanger	Dieterich	Kroening	Olson	Sieloff
Benson	Frank	Kronebusch	Pehler	Spear
Berg	Frederickson	Laidig	Peterson, C.C.	Storm
Bernhagen	Freeman	Lantry	Peterson, D.L.	Stumpf
Bertram	Hughes	Lessard	Peterson, R.W.	Taylor
Brataas	Isackson	Luther	Petty	Ulĺand
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Vega
Dahl	Jude	Mehrkens	Ramstad	Wegscheid
Davis	Kamrath	Метіат	Renneke	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1504: A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes; providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publishing of false, misleading, or deceptive advertising regarding subdivided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34. subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83;

repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

Mr. Novak moved to amend S.F. No. 1504, as follows:

Page 36, line 9, delete "conceit" and insert "deceit"

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S.F. No. 1504, as follows:

Page 3, delete lines 31 to 34

Page 4, line 10, delete "29 and 30" and insert "28 and 29"

Page 4, line 30, delete "29 and 30" and insert "28 and 29"

Page 15, line 11, delete "29" and insert "28"

Page 15, line 12, delete "30" and insert "29"

Page 16, line 22, delete "29 and 30" and insert "28 and 29"

Page 20, line 2, delete "29" and insert "28"

Page 20, line 3, delete "30" and insert "29"

Page 21, lines 7 and 28, delete "29 and 30" and insert "28 and 29"

Page 22, line 34, delete "29 and 30" and insert "28 and 29"

Page 26, line 13, delete "9" and insert "8"

Page 26, line 15, delete "29" and insert "28"

Page 26, line 16, delete "30" and insert "29"

Page 26, lines 17, 24, and 26, delete "29 and 30" and insert "28 and 29"

Page 27, lines 1 and 34, delete "29 and 30" and insert "28 and 29"

Page 28, line 15, delete "29 and 30" and insert "28 and 29"

Page 29, lines 25 and 29, delete "29 and 30" and insert "28 and 29"

Page 30, line 12, delete "31" and insert "29"

Page 30, line 26, delete "29 and 30" and insert "28 and 29"

Page 30, line 34, delete "30" and insert "29"

Page 31, line 16, delete "29 and 30" and insert "28 and 29"

Page 32, line 4, delete "30" and insert "29"

Page 32, lines 14, 29, and 36, delete "29 and 30" and insert "28 and 29"

Page 33, lines 18 and 29, delete "29 and 30" and insert "28 and 29"

Page 34, line 13, delete "29" and insert "28"

Page 34, line 14, delete "30" and insert "29"

Page 34, lines 16, 20, 35, and 36, delete "29 and 30" and insert "28 and 29"

Page 35, line 9, delete "29 and 30" and insert "28 and 29"

Page 35, lines 28 and 29, delete "30" and insert "29"

Page 36, line 15, delete "31" and insert "30"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S.F. No. 1504 as follows:

Page 36, line 15, delete "September 1, 1984" and insert "August 1, 1985"

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1504 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kronebusch	Pehler Pehler	Solon
Anderson	Dieterich	Laidig	Peterson, C.C.	Spear
Belanger	Frank	Langseth	Peterson, D.C.	Storm
Benson	Frederickson	Lantry	Peterson, D.L.	Stumpf
Berg	Freeman	Lessard	Peterson, R. W.	Taylor
Bernhagen	Hughes	Luther	Petty	Ulland
Bertram	Isackson	McQuaid	Pogemiller	Vega
Brataas	Johnson, D.E.	Mehrkens	Purfeerst	Willet
Chmielewski	Kamrath	Merriam	Ramstad	
Dahi	Knaak	Moe, R. D.	Reichgott	
Davis	Knutson	Novak	Renneke	
DeCramer	Kroening	Olson	Schmitz	

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1702: A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, sections 373.28 and 375.29.

Mr. Spear moved to amend S.F. No. 1702 as follows:

Page 68, line 15, delete "sections 373.28 and" and insert "section"

Page 68, line 15, delete "are" and insert "is"

Amend the title as follows:

Page 1, line 3, delete everything before "fixing"

Page 1, line 9, delete "sections 373.28 and" and insert "section"

The motion prevailed. So the amendment was adopted.

S.F. No. 1702 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Kronebusch Pehler Spear Dieterich Adkins Laidig Peterson, C.C. Storm Anderson Frank Stumpf Frederick Langseth Peterson, D.C. Belanger Taylor Peterson, D.L. Frederickson Lantry Berg Peterson.R.W. Ulland Lessard Bernhagen Freeman Vega Petty Luther Bertram Hughes Waldorf McQuaid Purfeerst Brataas Isackson Johnson, D.E. Ramstad Wegscheid Mehrkens Chmielewski Willet Renneke Merriam Dahl Jude Kamrath Moe, D. M. Samuelson Davis Knaak Moe, R. D. Schmitz DeCramer Nelson Sieloff Dicklich Knutson Olson Solon Kroening Diessner

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1794: A bill for an act relating to waters; legislative approval to provide water to Emerson, Manitoba by the North Kittson Rural Water District.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Olson Sieloff Diessner Kroening Adkins Kronebusch Pehler Solon Dieterich Anderson Spear Frank Laidig Peterson, C.C. Belanger Peterson, D.C. Storm Frederick Langseth Benson Peterson, D.L. Stumpf Frederickson Lantry Berg Peterson, R. W. Taylor Freeman Lessard Bernhagen Ulland Luther Petty Bertram Hughes Purfeerst Vega Brataas Isackson McQuaid Waldorf Chmielewski Johnson, D.E. Merriam Ramstad Willet Jude Moe, D. M. Reichgott Dahl Moe, R. D. Renneke Davis Kamrath Samuelson Knaak Nelson **DeCramer** Knutson Novak Schmitz Dicklich

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1330: A bill for an act relating to landlords and tenants; providing for recovery by the tenant from the landlord of damages and attorney's fees for unlawful ouster or exclusion from residential premises; proposing new law coded in Minnesota Statutes, chapter 504.

Mr. Knaak moved to amend S.F. No. 1330 as follows:

Page 1, line 14, delete "and"

Page 1, line 15, delete everything before the period

Amend the title as follows:

Page 1, line 4, delete "and attorney's fees"

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1330 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Lessard	Peterson, C.C.	Spear
Anderson	Frank	Luther	Peterson, D.C.	Storm
Belanger	Frederick	McQuaid	Peterson, D.L.	Stumpf
Bernhagen	Freeman	Mehrkens	Peterson, R.W.	Taylor
Bertram	Hughes	Merriam	Petty	Ulĺand
Brataas	Johnson, D.E.	Moe, D. M.	Purfeerst	Vega
Chmielewski	Jude	Moe, R. D.	Ramstad	Waldorf
Dahl	Kroening	Nelson	Reichgott	Wegscheid
Davis	Kronebusch	Novak	Renneke	Willet
DeCramer	Langseth	Olson	Schmitz	
Dicklich	Lantry	Pehler	Solon	

Those who voted in the negative were:

Berg Isackson Kamrath Knaak Laidig

Samuelson

Sieloff

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1790: A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

Mrs. Kronebusch moved to amend S.F. No. 1790 as follows:

Page 2, line 2, strike "ten" and insert "five"

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1790 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Berglin Bernhagen Bertram	Dieterich Frank Frederick Frederickson Freeman	Kroening Kronebusch Laidig Langseth Lantry	Novak Olson Pehler Peterson,C.C. Peterson,D.C.	Samuelson Schmitz Sieloff Solon Spear
Brataas Chmielewski	Hughes Isackson	Lessard Luther	Peterson, D. L. Peterson, R. W.	Storm Stumpf
Dahl	Johnson, D.E.	McQuaid	Petty	Taylor
Davis	Jude	Mehrkens	Purfeerst	Ulland
DeCramer	Kamrath	Merriam	Ramstad	Vega
Dicklich	Knaak	Moe, R. D.	Reichgott	Waldorf
Diessner	Knutson	Nelson	Renneke	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1789: A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

Was read the third time and placed on its final passage.

The roll was called, and there were yeas 54 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Novak	Reichgott
Belanger	Dieterich	Laidig	Olson	Renneke
Berg	Frank	Lantry	Pehler	Samuelson
Berglin	Frederick	Lessard	Peterson, C.C.	Solon
Bernhagen	Frederickson	Luther	Peterson, D.C.	Spear
Bertram	Freeman	McQuaid	Peterson, D.L.	Storm
Brataas	Johnson, D.E.	Mehrkens	Peterson, R. W.	Ulland
Dahl	Jude	Merriam	Petty	Vega
Davis	Kamrath	Moe, D. M.	Pogemiller	Wegscheid
DeCramer	Knaak	Moe, R. D.	Purfeerst	Willet
Dicklich	Kroening	Nelson	Ramstad	

Those who voted in the negative were:

Anderson Isackson Sieloff Stumpf Waldorf

So the bill passed and its title was agreed to.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of today's proceedings. The Sergeant at Arms was instructed to bring in the absent members.

SPECIAL ORDER

S.F. No. 1669: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands and interests in land acquired for trail purposes which are no longer needed for trail purposes and which are located in certain cities.

Mr. Peterson, R.W. moved to amend S.F. No. 1669 as follows:

Page 1, line 13, delete ", which" and insert "that"

Page 1, line 14, delete the comma

The motion prevailed. So the amendment was adopted.

S.F. No. 1669 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Renneke
Anderson	Diessner	Kroening	Olson	Samuelson
Belanger	Dieterich	Kronebusch	Pehler	Schmitz
Berg	Frank	Laidig	Peterson, C.C.	Sieloff
Berglin	Frederick	Lantry	Peterson, D.C.	Solon
Bernhagen	Frederickson	Luther	Peterson, D.L.	Spear
Bertram	Freeman	McQuaid	Peterson, R.W.	Storm
Brataas	Hughes	Mehrkens	Petty	Ulland
Chmielewski	Isackson	Merriam	Pogemiller	Vega
Dahl	Johnson, D.E.	Moe, D. M.	Purfeerst	Waldorf
Davis	Jude	Moe, R. D.	Ramstad	Wegscheid
DeCramer	Kamrath	Nelson	Reichgott	Willet

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1858: A bill for an act relating to crimes; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, section 609.487, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knaak	Novak	Samuelson
Anderson	Diessner	Kroening	Olson	Schmitz
Belanger	Dieterich	Kronebusch	Peterson, C.C.	Sieloff
Berg	Frank	Laidig	Peterson, D.C.	Solon
Berglin	Frederick	Lantry	Peterson, D.L.	Spear
Bernhagen	Frederickson	Lessard	Peterson, R.W.	Storm
Bertram	Freeman	Luther	Petty	Stumpf
Brataas	Hughes	McQuaid	Pogemiller	Taylor
Chmielewski	Isackson	Mehrkens	Purfeerst	Ulland
Dahl	Johnson, D.E.	Merriam	Ramstad	Waldorf
Davis	Jude	Moe, R. D.	Reichgott	Wegscheid
DeCramer	Kamrath	Nelson	Renneke	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1825: A bill for an act relating to Otter Tail County; authorizing the county board to adopt an ordinance for the control of dogs and cats.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Schmitz Novak Diessner Kroening Adkins Olson Sieloff Kronebusch Anderson Dieterich Peterson, C.C Solon Belanger Frank Laidig Peterson, D.C. Spear Benson Frederick Langseth Peterson, R.W. Storm Frederickson Lantry Berg Lessard Petty Stumpf Berglin Freeman Luther Pogemiller Taylor Hughes Bernhagen Ulland McQuaid Purfeerst Isackson Bertram Johnson, D.E. Ramstad Vega Mehrkens Chmielewski Waldorf Reichgott Jude Merriam Dahl Renneke Wegscheid Moe, D. M. Kamrath Davis Samuelson Willet Dicklich Knaak Moe, R. D.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1511: A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

Mr. Petty moved to amend S.F. No. 1511 as follows:

Page 1, line 14, after the period, insert "The holding of property by a political subdivision of the state for later resale (i) which is purchased for housing purposes or (ii) which meets the conditions described in section 273.73, subdivision 10, shall be considered a public purpose in accordance with subdivision 1, clause (7). The governing body of the political subdivision which acquires property which is subject to this subdivision shall after the purchase of the property certify to the city or county assessor whether the property is held for economic development purposes or housing purposes, or whether it meets the conditions of section 273.73, subdivision 10."

The motion prevailed. So the amendment was adopted.

S.F. No. 1511 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Kronebusch	Peterson, C.C.	Spear
Anderson	Dieterich	Laidig	Peterson, D.C.	Storm
Belanger	Frank	Langseth	Peterson, D.L.	Stumpf
Benson	Frederick	Lantry	Peterson, R.W.	Taylor
Berg	Frederickson	Lessard	Petty	Ulland
Berglin	Freeman	Luther	Pogemiller	Vega
Bernhagen	Hughes	McQuaid	Purfeerst	Waldorf
Bertram	Isackson	Mehrkens	Ramstad	Wegscheid
Brataas	Johnson, D.E.	Moe, D. M.	Reichgott	Willet
Chmielewski	Jude	Moe, R. D.	Renneke	
Dahl	Kamrath	Novak	Samuelson	
Davis	Knaak	Olson	Schmitz	
Dicklich	Kroening	Pehler	Solon	

Messrs. Merriam and Sieloff voted in the negative.

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1867: A bill for an act relating to occupations and professions;

authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Dieterich Peterson, C.C. Kronebusch Spear Anderson Frank Langseth Peterson, D.C. Storm Belanger Frederick Lantry Peterson, D.L. Stumpf Benson Frederickson Peterson, R.W. Lessard Taylor Berglin Freeman Luther Petty Ulland Bernhagen Hughes McQuaid Pogemiller Vega Bertram Isackson Mehrkens Waldorf Purfeerst **Brataas** Johnson, D.E. Merriam Wegscheid Reichgott Chmielewski Jude Moe, D. M. Renneke Willet Dahl Kamrath Moe, R. D. Samuelson Davis Knaak Novak Schmitz Dicklich Knutson Olson Sieloff Pehler Solon Diessner Kroening

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 2077: A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses; validating certain liquor licenses.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dieterich	Kroening	Olson	Schmitz
Belanger	Frank	Kronebusch	Pehler	Sieloff
Benson	Frederick	Laidig	Peterson, C.C.	Solon
Berglin	Frederickson	Langseth	Peterson, D.C.	Spear
Bertram	Freeman	Lantry	Peterson, D.L.	Stumpf
Brataas	Isackson	Luther	Peterson, R.W.	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Petty	Ulland
Dahl	Jude	Mehrkens	Pogemiller	Vega
Davis	Kamrath	Merriam	Purfeerst	Waldorf
Dicklich	Knaak	Moe, R. D.	Reichgott	Wegscheid
Diessner	Knutson	Novak	Samuelson	Willet

Messrs. Anderson and Renneke voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1485: A bill for an act relating to gambling; removing the yearly total prize award limit on licensed organizations; amending Minnesota Statutes 1982, section 349.26, subdivision 15; repealing Minnesota Statutes 1982, section 349.26, subdivision 15a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 28 and nays 34, as follows:

Those who voted in the affirmative were:

Peterson.D.C. Solon Adkins Frank Lessard Bertram Freeman Luther Peterson, R.W. Stumpf Chmielewski Hughes Moe, R. D. Petty Vega Purfeerst Willet Novak Dahl hide Dicklich Pehler Samuelson Langseth Peterson, C.C. Dieterich Lantry Schmitz.

Those who voted in the negative were:

Anderson **Davis** Knaak Merriam Sieloff Belanger Diessner Knutson Olson Spear Frederick Kroening Peterson.D.L. Storm Benson Berg Kronebusch Pogemiller Taylor Frederickson Ulland Berglin Isackson Laidig Ramstad Johnson, D.E. McQuaid Waldorf Reichgott Bernhagen Mehrkens Renneke Brataas Kamrath

So the bill failed to pass.

SPECIAL ORDER

S.F. No. 1546: A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1 and by adding a subdivision; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Diessner Knutson Moe, R. D. Renneke Samuelson Anderson Dieterich Novak Kroening Belanger Frank Kronebusch Olson Schmitz Benson Frederick Laidig Pehler Sieloff Peterson, C.C. Berglin Frederickson Langseth Solon Bernhagen Freeman Lantry Peterson, D.C. Spear Peterson, D.L. Storm Bertram Hughes Lessard Peterson, R.W. Brataas Isackson Luther Ulland Johnson, D.E. McQuaid Petty Vega Chmielewski Purfeerst Waldorf Dahl Jude Mehrkens Kamrath Меттіат Ramstad Wegscheid Davis Willet Knaak Moe, D. M. Reichgott Dicklich

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1973: A bill for an act relating to persons handicapped in com-

munication; requiring the arresting officer to immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, sections 546.42; 611.31; and 611.32.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Laidig	Peterson, C.C.	Solon
Anderson	Dieterich	Langseth	Peterson, D.C.	Spear
Belanger	Frank	Lantry	Peterson, D.L.	Storm
Benson	Frederick	Lessard	Peterson, R. W.	Stumpf
Berg	Frederickson	Luther	Petty	Taylor
Berglin	Isackson	McQuaid	Pogemiller	Ulland
Bernhagen	Johnson, D.E.	Mehrkens	Purfeerst	Vega
Bertram	Jude	Merriam	Ramstad	Waldorf
Brataas	Kamrath	Moe, D. M.	Reichgott	Wegscheid
Chmielewski	Knaak	Moe, R. D.	Renneke	•
Dahl	Knutson	Novak	Samuelson	
Davis	Kroening	Olson	Schmitz	
Dicklich	Kronebusch	Pehler	Sieloff	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1772: A bill for an act relating to crimes; defining sports bookmaking; amending Minnesota Statutes 1982, section 299C.065, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.75, subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Belanger	Diessner Dieterich Frank	Knutson Kroening Kronebusch	Novak Olson Pehler	Samuelson Schmitz Sieloff
Benson	Frederick	Laidig	Peterson, C.C.	Solon
Berg	Frederickson	Langseth	Peterson, D.C.	Spear
Berglin	Freeman	Lantry	Peterson, D.L.	Storm
Bernhagen	Hughes	Lessard	Peterson, R.W.	Stumpf
Bertram	Isackson	Luther	Petty	Taylor
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Ulland
Dahl	Johnson, D.J.	Mehrkens	Purfeerst	Vega
Davis	Jude	Merriam	Ramstad	Waldorf
DeCramer	Kamrath	Moe, D. M.	Reichgott	Wegscheid
Dicklich	Knaak	Moe, R. D.	Renneke	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1477: A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in

the workers' compensation process; amending Minnesota Statutes 1982, sections 176.135, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivisions 1 and 3, and by adding subdivisions; 176.271, subdivision 2; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 79.34, subdivision 1; 176.041, subdivision 1; 176.101, subdivisions 3a, 3b, 3e, 3g, 3i, 3j, 3l, 3m, 3o, 3q, 3r, and 3t; 176.102, subdivisions 3a and 9; 176.103, subdivision 3, and by adding a subdivision; 176.104, subdivisions 1 and 2; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.135, subdivision 1; 176.138; 176.183, subdivision 1; 176.221, subdivisions 1, 3, and by adding a subdivision; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 6, and 8; 176.243, subdivision 3; 176.361; 176.421, subdivision 7; 176.442; 176.66, subdivisions 10 and 11; 176.85, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.051, subdivisions 2, 3, and 4; and 176.129, subdivision 5.

Mr. Chmielewski moved to amend S.F. No. 1477, as follows:

Page 5, line 32, delete "3" and insert "4"

Page 22, after line 32, insert:

"Sec. 25. Minnesota Statutes 1983 Supplement, section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

Subdivision 1. [SCHEDULE.] The commissioner shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. The procedures established by the commissioner shall limit the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, to the 75th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. The procedures shall incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees.

Subd. 2. [EXCESSIVE FEES.] If the commissioner, medical services review board, the workers' compensation court of appeals or a district court payer determines that the charge for a health service or medical service is excessive, no payment in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter unless the com-

missioner, medical services review board, or workers' compensation court of appeals determines otherwise.

Subd. 3. [REPORT.] The commissioner shall contract with a review organization as defined in section 145.61 for the purposes listed in section 145.61, subdivision 5, and report to the legislature by January 15, 1983 and thereafter on January 15 of every odd-numbered year, regarding the delivery of medical and health care services, including rehabilitation services, under the workers' compensation laws of this state.

The commissioner shall also conduct a study of the qualifications and background of rehabilitation consultants and vendors providing services under section 176.102 for the purpose of determining whether there are adequate professional standards provided, including safeguards to protect against conflicts of interest.

Subd. 4. [TEMPORARY RULES.] The commissioner shall adopt temporary rules in order to implement the provisions of this subdivision. Notwithstanding the provisions of section 14.14, subdivision 1, and any amendments, the temporary rules adopted by the commissioner pursuant to this subdivision may be extended for an additional 180 days if the procedures for adoption of a rule pursuant to sections 14.13 to 14.20 or 14.21 to 14.28, and other provisions of the administrative procedure act related to final agency action and rule adoption have not been concluded.

Any rules adopted by the commissioner of insurance pursuant to this section shall remain in effect but may be amended, modified, or repealed only by the commissioner of labor and industry."

Page 25, line 32, after "employee" insert "or the compensation to which the employee is entitled to receive up to the date the penalty is imposed,"

Page 26, line 19, delete "A" and insert "An insurer and"

Page 28, line 35, after the comma insert "or the discontinuance is not governed by those sections,"

Page 30, line 28, delete "to a party"

Page 32, line 20, after "section" insert "176.103,"

Page 37, line 18, after "including" insert "but not limited to"

Page 38, after line 32, insert:

"Sec. 50. Minnesota Statutes 1983 Supplement, section 176.83, is amended to read:

176.83 [RULES.]

Subdivision 1. [GENERALLY.] In addition to any other section under this chapter giving the commissioner the authority to adopt rules, the commissioner may adopt, amend, or repeal rules to implement the provisions of this chapter. The rules include but are not limited to: the rules listed in this section.

(a) Subd. 2. [REHABILITATION.] Rules necessary to implement and administer section 176.102, including the establishment of qualifications necessary to be a qualified rehabilitation consultant and the requirements to be

an approved registered vendor of rehabilitation services.

In this regard, the commissioner shall impose fees under section 16A.128 sufficient to cover the cost of approving, registering and monitoring qualified rehabilitation consultants and approved vendors of rehabilitation services. The rules may also provide for penalties to be imposed by the commissioner against insurers or self-insured employers who fail to provide rehabilitation consultation to employees pursuant to section 176.102.

These rules may also establish criteria for determining "reasonable moving expenses" under section 176.102.

The rules shall also establish criteria, guidelines, methods, or procedures to be met by an employer or insurer in providing the initial rehabilitation consultation required under this chapter which would permit the initial consultation to be provided by an individual other than a qualified rehabilitation consultant. In the absence of rules regarding an initial consultation this consultation shall be conducted pursuant to section 176.102;

- (b) Subd. 3. [CLINICAL CONSEQUENCES.] Rules establishing standards for reviewing and evaluating the clinical consequences of services provided by qualified rehabilitation consultants, approved registered vendors of rehabilitation services, and services provided to an employee by health care providers.
- (e) Subd. 4. [EXCESSIVE CHARGES FOR MEDICAL SERVICES.] Rules establishing standards and procedures for determining whether or not charges for health services or rehabilitation services rendered under this chapter are excessive. In this regard, the standards and procedures shall be structured to determine what is necessary to encourage providers of health services and rehabilitation services to develop and deliver services for the rehabilitation of injured employees.

The procedures shall include standards for evaluating hospital care, other health care and rehabilitation services to insure that quality hospital, other health care, and rehabilitation is available and is provided to injured employees;

(d) Subd. 5. [EXCESSIVE MEDICAL SERVICES.] In consultation with the medical services review board or the rehabilitation review panel, rules establishing standards and procedures for determining whether a provider of health care services and rehabilitation services, including a provider of medical, chiropractic, podiatric, surgical, hospital or other services, is performing procedures or providing services at a level or with a frequency that is excessive, based upon accepted medical standards for quality health care and accepted rehabilitation standards.

If it is determined by the eommissioner payer that the level, frequency or cost of a procedure or service of a provider is excessive according to the standards established by the rules, the provider shall not be paid for the excessive procedure, service, or cost by an insurer, self-insurer, or group self-insurer. In addition, and the provider shall not be reimbursed or attempt to collect reimbursement for the excessive procedure, service, or cost from any other source, including the employee, another insurer, the special compensation fund, or any government program unless the commissioner, medical services review board, or workers' compensation court of appeals deter-

mines at a hearing that the level, frequency, or cost was not excessive in which case the insurer, self-insurer, or group self-insurer shall make the payment deemed reasonable.

A health or rehabilitation provider who is determined by the commissioner to be consistently performing procedures or providing services at an excessive level or cost may be prohibited from receiving any further reimbursement for procedures or services provided under chapter 176. A prohibition imposed on a provider under this elause subdivision may be grounds for revocation or suspension of the provider's license or certificate of registration to provide health care or rehabilitation service in Minnesota by the appropriate licensing or certifying body.

The rules adopted under this elause subdivision shall require insurers, self-insurers, and group self-insurers to report medical and other data necessary to implement the procedures required by this clause.

- (e) Subd. 6. [CERTIFICATION OF MEDICAL PROVIDERS.] Rules establishing procedures and standards for the certification of physicians, chiropractors, podiatrists, and other health care providers in order to assure the coordination of treatment, rehabilitation, and other services and requirements of chapter 176 for carrying out the purposes and intent of this chapter.
- (f) Subd. 7. [MISCELLANEOUS RULES.] Rules necessary for implementing and administering the provisions of sections 176.131, 176.132, 176.134, sections 176.242 and 176.243; sections 176.251, 176.66 to 176.669, and rules regarding proper allocation of compensation under section 176.111. Under the rules adopted under section 176.111 a party may petition for a hearing before a compensation judge to determine the proper allocation. In this case the compensation judge may order a different allocation than prescribed by rule.
- (g) Subd. 8. [CHANGE OF PROVIDER.] Rules establishing standards or criteria under which a physician, podiatrist, or chiropractor is selected or under which a change of physician, podiatrist, or chiropractor is allowed under section 176.135, subdivision 25.
- (h) Subd. 9. [INTERVENTION.] Rules to govern the procedure for intervention pursuant to section 176.361;.
- (i) Subd. 10. [JOINT RULES.] Joint rules with either or both the workers' compensation court of appeals and the chief hearing examiner which may be necessary in order to provide for the orderly processing of claims or petitions made or filed pursuant to chapter 176.
- (i) Subd. 11. [SUITABLE GAINFUL EMPLOYMENT.] Rules establishing criteria to be used by the division, compensation judge, and workers' compensation court of appeals to determine "suitable gainful employment" and "independent contractor."
- Subd. 12. [COMPENSATION JUDGE PROCEDURES.] The chief hearing examiner shall adopt rules relating to procedures in matters pending before a compensation judge in the office of administrative hearings.
- Subd. 13. [CLAIMS ADJUSTER.] The commissioner may adopt rules regarding requirements which must be met by individuals who are employed by insurers or self-insurers or claims servicing or adjusting agencies and who

work as claims adjusters in the field of workers' compensation insurance.

Subd. 14. [REHABILITATION CONSULTANT QUALIFICATIONS.] The commissioner may adopt temporary rules establishing qualifications necessary to be a qualified rehabilitation consultant and penalties to be imposed against qualified rehabilitation consultants or approved vendors who violate this chapter or rules, including temporary rules, adopted under this chapter. In addition to the provisions of sections 14.29 to 14.36, at least one public hearing shall be held prior to the adoption of these temporary rules.

Subd. 15. [FORMS.] The commissioner may prescribe forms and other reporting procedures to be used by an employer, insurer, medical provider, qualified rehabilitation consultant, approved vendor of rehabilitation services, attorney, employee, or other person subject to the provisions of this chapter."

Page 39, line 21, delete "October" and insert "November"

Page 39, after line 30, insert:

"Sec. 54. [APPLICATION OF LAWS 1983, CHAPTER 290, SECTIONS 83, 84, 106, AND 107.]

Laws 1983, chapter 290, section 83 applies to a proceeding conducted after June 30, 1983, whether or not the injury occurred prior to that date. Laws 1983, chapter 290, sections 84, 106, and 107 apply to proceedings conducted after September 30, 1983, whether or not the injury occurred prior to that date."

Page 39, delete lines 35 and 36

Page 40, delete lines 1 to 7, and insert:

"Sec. 56. [EFFECTIVE DATE.]

The amendments in sections 1 to 12, 14, 17, 18, and 49 are not substantive in nature and are clarifications of legislative intent of Laws 1983, chapter 290, and apply to an injury occurring after December 31, 1983. The amendments in sections 26, 33 to 38, 41, 42, 46, and 47 are procedural in nature and are clarifications of Laws 1983, chapter 290, and apply to proceedings conducted after June 30, 1983, whether or not the injury occurred prior to that date. Failure to cite a specific section in this act as nonsubstantive or procedural shall not be construed by itself to mean that the section is a substantive change in the law. Section 24 applies to an injury for which a claim is pending or a claim made after the effective date of this act regardless of the date of injury. This act is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, before "176.138" insert "176.136;"

Page 1, line 21, after "11;" insert "176.83;"

The motion prevailed. So the amendment was adopted.

S.F. No. 1477 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Pehler	Sieloff
Anderson	Diessner	Kronebusch	Peterson, C.C.	Solon
Belanger	Dieterich	Laidig	Peterson, D.C.	Spear
Benson	Frank	Langseth	Peterson, D. L.	Storm
Berg	Frederickson	Lantry	Peterson, R. W.	Stumpf
Berglin	Freeman	Lessard	Petty	Taylor
Bernhagen	Hughes	Luther	Pogemiller	Ulland
Bertram	Isackson	McQuaid	Purfeerst	Vega
Brataas	Johnson, D.E.	Mehrkens	Ramstad	Waldorf
Chmielewski	Johnson, D.J.	Moe, D. M.	Reichgott	Willet
Dahl	Jude	Moe, R. D.	Renneke	
Davis	Kamrath	Novak	Samuelson	
DeCramer	Knaak	Olson	Schmitz	

Messrs. Kroening and Merriam voted in the negative.

So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 1931: A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Knutson	Novak	Schmitz
Anderson	Diessner	Kroening	Olson	Sieloff
Belanger	Dieterich	Kronebusch	Pehler	Solon
Benson	Frank	Laidig	Peterson, C.C.	Spear
Berg	Frederickson	Langseth	Peterson, D.C.	Storm
Berglin	Freeman	Lantry	Peterson, D.L.	Stumpf
Bernhagen	Hughes	Lessard	Peterson, R.W.	Taylor
Bertram	Isackson	Luther	Petty	Ulland
Brataas	Johnson, D.E.	McQuaid	Pogemiller	Vega
Chmielewski	Johnson, D.J.	Mehrkens	Ramstad	Waldorf
Dahl	Jude	Merriam	Reichgott	Wegscheid
Davis	Kamrath	Moe, D. M.	Renneke	Willet
DeCramer	Knaak	Moe, R. D.	Samuelson	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S.F. No. 2076: A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

Pursuant to Rule 22, Mr. Ulland moved that he be excused from voting on S.F. No. 2076. The motion prevailed.

S.F. No. 2076 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins Belanger Benson Berg Bertram Chmielewski	Dicklich Diessner Dieterich Freeman Hughes Johnson, D.E.	Kroening Kronebusch Langseth Lantry Lessard Luther	Nelson Novak Pehler Peterson, C. C. Peterson, R. W. Pogemiller	Solon Stumpf Vega Wegscheid Willet
Davis DeCramer	Jude Knutson	Merriam Moe, R. D.	Samuelson Schmitz	

Those who voted in the negative were:

Anderson Bernhagen Brataas Frank	Frederickson Isackson Kamrath Knaak	Mehrkens Moe, D. M. Olson Petry Parestad	Renneke Sieloff Spear Storm	Waldorf
Frederick	Laidig	Ramstad	Taylor	

So the bill passed and its title was agreed to.

RECONSIDERATION

Having voted on the prevailing side, Mr. Pogemiller moved that the vote whereby the motion on confirmation of Jeff Bertram to the State Ethical Practices Board failed on April 11, 1984, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 39 and nays 26, as follows:

Those who voted in the affirmative were:

Adkins	Diessner	Lantry	Pehler	Schmitz
Berglin	Dieterich	Lessard	Peterson, C.C.	Solon
Bertram	Frank	Luther	Peterson, D.C.	Spear
Chmielewski	Hughes	Merriam	Peterson R.W.	Stumpf
Dahl	Johnson, D.E.	Moe, D. M.	Petty	Vega [']
Davis	Jude	Moe, R. D.	Purfeerst	Waldorf
DeCramer	Kroening	Nelson	Reichgott	Willet
Dicklich	Langseth	Novak	Samuelson	

Those who voted in the negative were:

Anderson	Frederick	Kronebusch	Pogemiller	Ulland
Belanger	Frederickson	Laidig	Ramstad	Wegscheid
Benson	Isackson	McOuaid	Renneke	op.ioiiaia
Berg	Kamrath	Mehrkens	Sieloff	
Bernhagen	Knaak	Olson	Storm	
Brataas	Knutson	Peterson D.L.	Taylor	

The motion prevailed.

Mr. Moe, R.D. moved that the appointment of Jeff Bertram to the State Ethical Practices Board be laid on the table. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which

was referred

S.F. No. 1969: A bill for an act relating to taxation; income; eliminating the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

- Section 1. Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, is amended to read:
- Subd. 2. [ITEMIZED DEDUCTIONS.] Subject to the provisions of section 290.18, subdivision 1, an amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:
- (a) Add the amount paid to others not to exceed \$500 for each dependent in grades K to 6 and \$700 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;
- (b) Add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;
- (c) Add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;
- (d) Subtract income taxes paid or accrued within the taxable year under this chapter;
- (e) Subtract income taxes paid to any other state or to any province or territory of Canada if a credit is allowed for the taxes under section 290.081;
- (f) If the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;
 - (g) Subtract the amount of interest on investment indebtedness paid or ac-

crued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

- (h) Subtract the amount of charitable contributions deducted under section 170 of the Internal Revenue Code, plus the amount deducted under paragraph (j), that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; or (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code-;
- (j) Add the amount that equals the following percentages of the difference between nine cents and the standard mileage rate allowed for business use of an automobile pursuant to this chapter, multiplied by the number of miles driven while providing donated services for charitable purposes, provided the automobile expenses were not reimbursed:
- (1) 25 percent for taxable years beginning after December 31, 1984 and before January 1, 1986;
- (2) 50 percent for taxable years beginning after December 31, 1985 and before January 1, 1987;
- (3) 75 percent for taxable years beginning after December 31, 1986 and before January 1, 1988;
 - (4) 100 percent for taxable years beginning after December 31, 1987.
- Sec. 2. Minnesota Statutes 1983 Supplement, section 290.09, subdivision 29, is amended to read:
- Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, including horses for horse racing, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging."
- (b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.
- (c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm in-

come in excess of \$30,000 multiplied by three. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981, and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981. Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the Internal Revenue Code of 1954, as amended through December 31, 1981, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm income in excess of \$30,000 multiplied by three. For taxable years beginning after December 31, 1984, the \$30,000 amount in this subdivision shall be adjusted for inflation in the manner provided in section 290.06, subdivision 2d.

- (d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an S corporation shall be considered separate entities.
- (e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the farm loss which results in the carryback. During this extended period, married individuals who elected to file separate returns or a combined return may change their election and file a joint return.
- (f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.
- (g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.
 - Sec. 3. Laws 1983, chapter 342, article 1, section 44, is amended to read:

Sec. 44. [REPEALER.]

Minnesota Statutes 1982, sections 290.01, subdivisions 23, 27, and 28; 290.032, subdivision 5; 290.06, subdivisions 9 and 9a; 290.077, subdivision 2; 290.08, subdivision 25; 290.09, subdivisions 10, 15, 22, and 27; 290.21, subdivision 3a; 290.501; and 352C.07; and Laws 1982, chapter 523, article VII, section 3, and Third Special Session chapter 1, article 5, section 4, are repealed.

Sec. 4. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e, and Laws 1983, chapter 342, article 1, section 8, are repealed.

Sec. 5. [EFFECTIVE DATE.]

Section 3 is effective for taxable years beginning after December 31, 1983. In section 3, Laws 1982, chapter 523, article VII, section 3, is reenacted and effective the day following final enactment of this act for taxable years beginning after December 31, 1983. Section 4 is effective for taxable years beginning after December 31, 1983.

ARTICLE 2 PROPERTY TAX

Section 1. Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1, is amended to read:

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to 29 33 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to 13 15 percent of the tax levy imposed on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount equal to 13 15 percent of the tax imposed on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13. subdivision 4 shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed \$2,000 \$4,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In

the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 2. [COMPUTATION; REFUNDS.]

The county auditor shall recompute the tax for taxes payable in 1984 for all property subject to section I and shall mail amended statements to the affected taxpayers by May 10, 1984. The statements shall contain the information required in Minnesota Statutes, section 276.04, except that a notice must be enclosed stating that the statement is amended pursuant to section I. The auditor shall recertify the agricultural aid amounts to the commissioner of revenue by the time and in the form determined by the commissioner. The commissioner of revenue shall review the recertifications to determine their accuracy. He may make changes in the recertification he deems necessary or return a certification to the county auditor for corrections.

If property taxes payable in 1984 have been paid in full without the adjustment required by section 1, the taxpayer shall receive a refund equal to the difference between the taxes paid and the tax as recomputed. The county auditor shall determine the amount of the refund and mail it to the taxpayer.

If property taxes payable in 1984 have been partially paid without the adjustments required by section 1, the auditor shall reduce the remaining taxes due by the amount of the tax reduction required by section 1, and refund any excess. In lieu of the reduction, a taxpayer may elect to receive a refund, and upon application of the taxpayer, the auditor shall refund the amount of the reduction attributable to the partial tax payment.

Refunds paid under this section do not include interest.

If the county auditor has settled and distributed funds under Minnesota Statutes, section 276.10 with respect to any amounts refunded to taxpayers under this section, the amounts of the refund must be deducted from the next settlement and distribution. The county auditor shall notify the school districts of the amount to be deducted.

Sec. 3. [PAYMENT; PENALTIES.]

Sections 1 and 2 do not excuse timely payment of taxes as required in Minnesota Statutes, section 279.01. Penalties shall accrue as provided in Minnesota Statutes, section 279.01 only on the amount of the taxes as recomputed under section 1.

Sec. 4. [PROPERTY TAX REFUNDS.]

For purposes of Minnesota Statutes, section 290A.03, subdivision 13, 'property taxes payable' means property taxes as recomputed under section 1. Taxpayers who filed property tax refund returns on property taxes before the recomputation must file amended returns.

Sec. 5. Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1, is amended to read:

Subdivision 1. Except as provided in other subdivisions of this section or in section 272.025 or section 273.13, subdivisions 17, 17b, 17c or 17d, all

property described in this section to the extent herein limited shall be exempt from taxation:

- (1) All public burying grounds;
- (2) All public schoolhouses;
- (3) All public hospitals;
- (4) All academies, colleges, and universities, and all seminaries of learning;
 - (5) All churches, church property, and houses of worship;
- (6) Institutions of purely public charity except property assessed pursuant to section 273.13, subdivisions 17, 17b, 17c or 17d;
 - (7) All public property exclusively used for any public purpose;
- (8) (a) Class 2 property of every household of the value of \$100, maintained in the principal place of residence of the owner thereof. The county auditor shall deduct the exemption from the total valuation of the property as equalized by the commissioner of revenue assessed to the household, and extend the levy of taxes upon the remainder only. The term "household" as used in this section is defined to be a domestic establishment maintained either (1) by two or more persons living together within the same house or place of abode, subsisting in common and constituting a domestic or family relationship, or (2) by one person.
- (b) During the period of his active service and for six months after his discharge therefrom, no member of the armed forces of the United States shall lose status of a householder under paragraph (a) which he had immediately prior to becoming a member of the armed forces.

In case there is an assessment against more than one member of a house-hold the \$100 exemption shall be divided among the members assessed in the proportion that the assessed value of the Class 2 property of each bears to the total assessed value of the Class 2 property of all the members assessed. The Class 2 property of each household claimed to be exempt shall be limited to property in one taxing district, except in cases where a single domestic establishment is maintained in two or more adjoining districts.

Bonds, certificates of indebtedness, or other obligations issued by the state of Minnesota, or by any county or city of the state, or any town, or any common or independent school district of the state, or any governmental board of the state are exempt from ad valorem property taxation; provided, that this subdivision shall not exempt the obligations or their interest from any excise or other tax levied on income, gross earnings, estates, inheritance, bequests, gifts, transfers, sales, or other transactions, other than an ad valorem property tax.

- (9) Farm machinery manufactured prior to 1930, which is used only for display purposes as a collectors item;
- (10) The taxpayer shall be exempted with respect to all agricultural products, inventories, stocks of merchandise of all sorts, all materials, parts and supplies, furniture and equipment, manufacturers material, manufactured articles including the inventories of manufacturers, wholesalers, retailers

and contractors; and the furnishings of a room or apartment in a hotel, rooming house, tourist court, motel or trailer camp, tools and machinery which by law are considered as personal property, and the property described in section 272.03, subdivision 1, clause (c), except personal property which is part of an electric generating, transmission, or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings and structures. Railroad docks and wharves which are part of the operating property of a railroad company as defined in section 270.80 are not exempt.

- (11) Containers of a kind customarily in the possession of the consumer during the consumption of commodities, the sale of which are subject to tax under the provisions of the excise tax imposed by chapter 297A;
- (12) All livestock, poultry, all horses, mules and other animals used exclusively for agricultural purposes;
- (13) All agricultural tools, implements and machinery used by the owners in any agricultural pursuit.
- (14) Real and personal property used primarily for the abatement and control of air, water, or land pollution to the extent that it is so used, other than real property used primarily as a solid waste disposal site.

Any taxpayer requesting exemption of all or a portion of any equipment or device, or part thereof, operated primarily for the control or abatement of air or water pollution shall file an application with the commissioner of revenue. The equipment or device shall meet standards, regulations or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting the property from taxation. The equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

- (15) Wetlands. For purposes of this subdivision, "wetlands" means (1) land described in section 105.37, subdivision 15, or (2) land which is mostly under water, produces little if any income, and has no use except for wildlife or water conservation purposes. "Wetlands" shall be land, provided it is preserved in its natural condition, and drainage of which it would be legal, feasible, and economically practical for the production of livestock, dairy animals, poultry, fruit, vegetables, forage and grains, except wild rice. "Wetlands" shall include adjacent land which is not suitable for agricultural purposes due to the presence of the wetlands. "Wetlands" shall not include woody swamps containing shrubs or trees, wet meadows, meandered water, streams, rivers, and floodplains or river bottoms. Exemption of wetlands from taxation pursuant to this section shall not grant the public any additional or greater right of access to the wetlands or diminish any right of ownership to the wetlands.
- (16) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall

notify the county assessor of each county in which the lands are located. Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116. Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

- (17) Property used in a continuous program to provide emergency shelter for victims of domestic abuse, provided the organization that owns and sponsors the shelter is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1982, notwithstanding the fact that the sponsoring organization receives funding under section 8 of the United States Housing Act of 1937, as amended.
- (18) If approved by the governing body of the municipality in which the property is located, property not exceeding one acre which is owned and operated by any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders; provided the property is used primarily as a clubhouse, meeting facility or recreational facility by the group or association and the property is not used for residential purposes on either a temporary or permanent basis.
- (19) To the extent provided by section 295.44, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of section 105.482, subdivisions 1, 8 and 9.
- (20) If approved by the governing body of the municipality in which the property is located, a direct satellite broadcasting facility or fixed satellite regional or national program service facility, construction of which is commenced after June 30, 1983, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. As used in this clause, a "direct satellite broadcasting facility" is a facility operated by a corporation licensed by the federal communications commission to provide direct satellite broadcasting services using direct broadcast satellites operating in the 12-ghz. band and a "fixed satellite regional or national program service facility" is a facility operated by a corporation licensed by the federal communications commission to provide fixed satellite-transmitted regularly scheduled broadcasting services using satellites operating in the 6-ghz. band. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing

body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

(21) If approved by the governing body of the municipality in which the property is located, a facility construction of which is commercial after June 30. 1983, at which a licensed Minnesota manufacturer produces distilled spirituous liquors, liqueurs, cordials, or liquors designated as specialties regardless of alcoholic content, but not including ethyl alcohol, distilled with a majority of the ingredients grown or produced in Minnesota, for a period not to exceed five years. When the facility no longer qualifies for exemption, it shall be placed on the assessment rolls as provided in subdivision 4. Before approving a tax exemption pursuant to this paragraph, the governing body of the municipality shall provide an opportunity to the members of the county board of commissioners of the county in which the facility is proposed to be located and the members of the school board of the school district in which the facility is proposed to be located to meet with the governing body. The governing body shall present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption shall not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days has passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.

Sec. 6. [STATEMENT OF PURPOSE.]

The legislature finds that the method of valuing farm property on the basis of sales of comparable properties overstates the value of farm property. Further, the legislature finds that methods of determining the production value of farm property are not suitable as a basis for directly determining the value of individual parcels of farm property. Therefore, the legislature determines that market value should continue to be used as the basis for taxation but that the market value should be adjusted to reflect the production value of farm property.

Sec. 7. [DETERMINATION OF RATIO.]

The commissioner of revenue shall consider alternative methods of determining the production value of farm property and shall make a recommendation to the legislature by January 15, 1985, as to the percentage of market value to be used in determining the production value to be used for the 1985 assessment, taxes payable in 1986.

Sec. 8. Minnesota Statutes 1983 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, 7, 8, and 9 or section 273.17, subdivision 1, all property shall be valued at its market value. The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100. In estimating and determining such value, the assessor shall not adopt a lower or different

standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which such property would sell at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

- Sec. 9. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9, is amended to read:
- Subd. 9. [CLASS 4A, 4B, 4C, AND 4D.] (1) All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at 43 percent of the market value thereof, except as otherwise provided in this subdivision.
- (2) Real property which is not improved with a structure and which is not utilized as part of a commercial or industrial activity shall constitute class 4b and shall be valued and assessed at 40 percent of market value.
- (3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at 34 28 percent of the first \$50,000 \$60,000 of market value and 43 percent of the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the 34 28 percent assessment, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the 34 28 percent assessment.
- (4) Employment property defined in section 273.1313, during the period provided in section 273.1313, shall constitute class 4d and shall be valued and assessed at 20 percent of the first \$50,000 of market value and 21.5 percent of the remainder, except that for employment property located in an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the first \$50,000 of market value shall be valued and assessed at 31.5 percent and the remainder shall be assessed and valued at 38.5 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment

under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

- Sec. 10. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17, is amended to read:
- Subd. 17. [TITLE II OR STATE HOUSING FINANCE AGENCY PROPERTY USED FOR ELDERLY AND LOW AND MODERATE INCOME FAMILIES.] (a) Except as provided in clause (b), a structure situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or regulations promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof shall, for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan, be assessed at 20 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.
- (b) In the case of a structure described in clause (a) with respect to which construction or substantial rehabilitation had not been commenced prior to January 1, 1984, the 20 percent assessment ratio shall apply only to that portion of the structure that is occupied by elderly persons or low and moderate income families as defined above unless (1) construction or substantial rehabilitation of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17b, is amended to read:
- Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.] (a) Notwithstanding any other provision of law, except as provided in clause (b), any structure
- (1) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration.
 - (2) located in a municipality of less than 10,000 population,
- (3) financed by a direct loan or insured loan from the farmers home administration, and
- (4) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.
- (b) A structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, shall be assessed at 20

percent of its market value, but only in proportion to its occupancy by elderly persons or low and moderate income families as defined above unless (1) construction of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.

- Sec. 12. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17c, is amended to read:
- Subd. 17c. [VALUATION OF LOWER INCOME HOUSING.] (a) Except as provided in clause (b), a structure which is
- (1) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended, and
- (2) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel, shall, for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter, be assessed at 20 percent of its market value. The market value determined by the assessor shall be based on the normal approach to value using normal unrestricted rents.
- (b) In the case of a structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, the 20 percent assessment ratio shall apply only to that portion of the structure that is occupied by lower income families or elderly or handicapped persons as defined above unless (1) construction of the structure had been commenced prior to January 1, 1984; or (2) the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or (3) financing of the project had been approved by a federal or state agency prior to June 30, 1983.
- Sec. 13. Minnesota Statutes 1983 Supplement, section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.]

On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The dollar amounts may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The statement shall include the following sentence, printed in upper case letters in bold face

print: "THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA RE-DUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT." The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. The taxpayer is defined as the owner who is responsible for the payment of the tax. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall show the amount attributable to section 124.2137 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit." The statement shall show the reduction attributable to the aid given pursuant to section 273.139 and shall indicate that the reduction is paid by the state of Minnesota. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists. Failure to mail the tax statement shall not be deemed a material defect to affect the validity of any judgment and sale for delinquent taxes.

Sec. 14. Minnesota Statutes 1983 Supplement, section 290A.04, subdivision 2e, is amended to read:

Subd. 2e. If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to \$9.00 percent of the amount by which the increase exceeds 20 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$200. The maximum refund shall be reduced by \$20 ten percent for each \$1,000 of the claimant's household income in excess of \$30,000. No refund shall be allowed if the claimant's household income exceeds \$40,000.

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

On or before December 1, 1983, the commissioner shall estimate the cost of making the payments provided by this section. Notwithstanding the open appropriation provision of section 290A.23, if the estimated total refund claims

exceed \$11,000,000, the commissioner shall adjust accordingly the percentage increase in net property taxes payable over the previous year which is required to qualify for the credit provided in this subdivision.

This subdivision is repealed effective for property taxes levied in 1984, payable in 1985.

Sec. 15. Minnesota Statutes 1983 Supplement, section 290A.04, subdivision 2f, is amended to read:

Subd. 2f. If the net property taxes payable in 1984 on a homestead increases more than ten percent over the net property taxes payable in 1983 on the same property, and if the effective tax rate of property tax paid in 1983 on that homestead as compared to the January 2, 1982, estimated market value exceeds 2.25 percent, an additional credit shall be paid by the commissioner to the claimant. The additional credit shall be equal to 50 percent of the amount by which the increase exceeds ten percent but in no case shall the additional credit exceed \$200. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead.

For purposes of this subdivision, "effective tax rate" means the net property tax paid by the claimant in 1983, divided by the assessor's 1982 estimated market value times 100.

For purposes of this subdivision, "net property taxes" means the gross tax less the homestead credit and any other state paid credit and after the deduction of tax refund amounts for which the claimant qualifies.

The city assessor, or the county assessor if the property is located in a taxing district which does not have a city assessor, shall notify all affected property owners of the availability of this credit and furnish the forms which the commissioner shall prescribe.

The additional refunds shall be paid at the same time as the commissioner pays other property tax refund claims.

Sec. 16. Minnesota Statutes 1982, section 290A.04, is amended by adding a subdivision to read:

Subd. 2g. If the net property taxes payable on a homestead in 1985 increase more than 10 percent over the net property taxes payable in 1984 on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds 10 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$400. The maximum refund shall be reduced by ten percent for each \$1,000 of the claimant's household income in excess of \$40,000. No refund shall be allowed if the claimant's household income exceeds \$50,000.

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

This subdivision is repealed effective for property taxes levied in 1985, payable in 1986.

Sec. 17. [471.653] [DISTRIBUTION OF CERTAIN FEDERAL PAY-MENTS.]

Federal payment in lieu of taxes on entitlement lands made pursuant to United States Code, Title 31, sections 6901 to 6906 shall be transferred by a county to a home rule or statutory city or town where the entitlement land is located if the county board determines that the statutory or home rule city or town is the principal provider of governmental services affecting the use of entitlement lands. The county board shall make its determination based on factors which shall include, but not be limited to: (1) whether the city or town has at least 40 acres of land within the entitlement lands; (2) whether city or town roads are the primary access to the entitlement lands; (3) whether the city or town provides specific services to the entitlement lands such as fire protection, police protection, and search and rescue services; and (4) whether the city or town is primarily responsible for land use planning and official controls.

The distribution of federal payment in lieu funds shall be made by the county board to a qualifying city or town in the proportion that the acreage of entitlement land located in each bears to the total acreage of entitlement land in the county except that no more than 30 percent of the total payment in lieu shall be distributed to all qualifying cities and towns.

Sec. 18. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

Subd. 8a. For purposes of determining the 1984 distribution for a city incorporated after 1973 and located in Anoka, Washington, Scott, Carver, Hennepin, Ramsey, or Dakota County, the 1983 distribution amount used in the city's 1984 aid shall be the amount that would have been paid if the 1978 metropolitan council population estimate for the city had been used for calculating the city's 1979 local government aid. For cities whose aid is determined pursuant to this subdivision in 1984, the limitation in section 477A.011, subdivision 10, shall not apply to their 1984 aid distibutions. The amount of any additional aid distributed under this subdivision shall constitute a permanent increase in the levy limit base of the city, beginning with taxes levied in 1984, payable in 1985.

Sec. 19. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each (1) In 1984, each town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

(2) In 1985 and each succeeding calendar year, each town which has an average equalized mill rate of at least two mills had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the

town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

- Sec. 20. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 2, is amended to read:
- Subd. 2. [CITIES AND TOWNS.] In each calendar year, each statutory and home rule charter city shall receive a distribution equal to the amount obtained by subtracting ten mills multiplied by the municipality's equalized assessed value from the adjusted local revenue base.

An aid amount shall be computed in the same manner for all towns which have an average equalized mill rate of at least two mills had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town. A town's final aid amount shall be determined by either the subdivision 1 or the subdivision 2 calculation, whichever is greater.

- Sec. 21. Minnesota Statutes 1983 Supplement, section 477A.0131, is amended by adding a subdivision to read:
- Subd. 3. No home rule charter or statutory city shall receive a distribution in 1985 pursuant to sections 477A.011 to 477A.03 that is less than: (a) the amount certified for distribution to it in 1984 pursuant to sections 477A.011 to 477A.03; plus (b) any supplemental aid amount distributed to it in 1984 to compensate for a reduction in its originally certified aid amount pursuant to the limitations in Laws 1983, chapter 342, article 5, sections 12, subdivision 2, and 15.
- Sec. 22. Minnesota Statutes 1983 Supplement, section 477A.03, subdivision 2, is amended to read:
- Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 for distributions to towns pursuant to section 477A.013 shall not exceed \$8,750,000 and The amount appropriated for distribution to cities pursuant to section 477A.013 shall not exceed \$246,200,000 for calendar year 1984. If the limitations limitation contained in this subdivision result results in a reduction in the amounts determined pursuant to section 477A.013, subdivision 2, each city receiving local government aid shall have its distribution reduced in proportion to the amounts determined pursuant to section 477A.013, subdivision 2, before the limitation of section 477A.013, subdivision 3, is taken into account. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to section 477A.013, subdivision 1. each town receiving local government aid shall have its distribution reduced in proportion to the amounts determined pursuant to section 477A.013, subdivision 1 or 2, before the limitation of section 477A.013, subdivision 3, is taken into account.
 - Sec. 23. Minnesota Statutes 1982, section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision

3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

Payments under section 477A.12 must also be reduced by the following percentages of the amounts paid during the preceding year under section 84A.51:

- (1) for the payment made July 15, 1984, 75 percent;
- (2) for the payment made July 15, 1985, 50 percent:
- (3) for the payment made July 15, 1986, 25 percent; and
- (4) for payments made thereafter, 0 percent.

Sec. 24. [SUPPLEMENTAL LOCAL AID.]

For each town, statutory city, and home rule charter city in the state, the commissioner of revenue shall certify a supplemental aid amount equal to the difference, if any, between (a) its certified distribution for 1984 pursuant to Laws 1983, chapter 342, article 5, section 11 and section 12, subdivision 1, and Minnesota Statutes 1982, section 477A.014, subdivision 3, and (b) the amount that would have been certified had not the limitations of Laws 1983, chapter 342, article 5, section 15 and section 12, subdivision 2, been in effect.

Sec. 25. [TIME OF PAYMENTS.]

Aid amounts determined pursuant to section 19 shall be distributed to affected governmental units in calendar year 1984 according to the payment schedule provided in Minnesota Statutes 1982, section 477A.015. However, if a governmental unit is subject to levy limitation pursuant to Laws 1983, chapter 342, article 3, section 1, and the amount distributed to it pursuant to section 20 and this section exceeds the amount by which the governmental unit's levy limitation for taxes payable in 1984 exceeds its levy subject to limitation for taxes payable in 1984, the amount of that excess distribution shall be used to reduce the governmental unit's levy limitation for taxes payable in 1985 accordingly.

Sec. 26. [SUBSEQUENT YEARS.]

For the purpose of aid distributions pursuant to Minnesota Statutes 1982, sections 477A.011 to 477A.03 and Laws 1983, chapter 342, article 5, sections 5 to 15, for 1985 and subsequent calendar years, aid amounts distributed according to the provisions of sections 20 and 21 shall be considered as included in the definition of aids received in 1984 pursuant to Minnesota Statutes 1982, sections 477A.011 to 477A.03 and Laws 1983, chapter 342, article 5, sections 5 to 15.

Sec. 27. [CITY OF BREEZY POINT; LEVY LIMIT INCREASE.]

Subdivision 1. [AUTHORIZATION.] The limitation imposed upon the levy of the city of Breezy Point by Minnesota Statutes, section 275.11, is increased by \$125,000 for taxes levied in 1984 and thereafter.

Subd. 2. [REVERSE REFERENDUM.] If the Breezy Point city council proposes to increase the levy limit base of the city pursuant to subdivision I, it shall pass a resolution stating the amount by which the levy limit base is proposed to be increased. Thereafter, the resolution shall be published for

two successive weeks in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city, together with a notice fixing a date for a public hearing on the proposed increase. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the city may determine to take no further action or, in the alternative, adopt a resolution authorizing the increase as originally proposed or approving an increase in the lesser amount it determines. The resolution authorizing an increase shall be published in the official newspaper of the city or if there is no official newspaper, in a newspaper of general circulation in the city. If within 30 days thereafter a petition signed by voters equal in number to five percent of the votes cast in the city in the last general election requesting a referendum on the proposed resolution is filed with the clerk the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. The referendum must be held at a special or general election prior to October 1, 1984.

Sec. 28. [APPLICABILITY.]

On its effective date, section 23 applies to the city of Breezy Point.

Sec. 29. [RAILROAD PROPERTY TAX REFUNDS.]

Subdivision 1. [REIMBURSEMENT; APPROPRIATION.] There is appropriated from the general fund to the commissioner of revenue the amount necessary to refund to each local unit of government an amount equal to 75 percent of the amount the local unit has paid, or is legally obligated to pay, to the Soo Line, Burlington Northern, and Duluth, Winnipeg and Pacific Railroads, as refunds of property taxes paid in 1982 and 1983 in amounts that exceeded their actual legal liability under the terms of the order of the Minnesota Tax Court in Soo Line Railroad Company v. Commissioner of Revenue, dated November 3, 1983.

Subd. 2. [COUNTY LEVY AUTHORITY.] For taxes levied in 1984, payable in 1985 only, a county may levy in excess of the limitations imposed under sections 275.50 to 275.56 the amount necessary to pay these refunds to these railroads to the extent the amount of the refund exceeded the amount of the reimbursement paid pursuant to subdivision 1.

Sec. 30. [LOCAL GOVERNMENT AIDS STUDY COMMISSION.]

A local government aids study commission consisting of eleven members is created. Five members of the commission shall be members of the senate and appointed by the chairman of the senate tax committee. Five members of the commission shall be members of the house of representatives and appointed by the chairman of the house tax committee. The eleventh member shall be a representative of the governor's office and appointed by the governor. The study commission shall elect a chairman from among its members and meetings of the commission will be held at the call of the chairman.

The purpose of the study commission is to study the current funding and distribution of state aid to local units of government including school districts. The commission may do all things necessary and reasonable to conduct the study including holding meetings and soliciting testimony and in-

formation. The commission shall make specific recommendations on changes in the present state aid formula and shall report to the legislature and the governor its conclusions and recommendations by January 15, 1985. The commission shall expire on February 1, 1985. Expenses of the commission including per diem and expenses of commission members will be provided by the appointing authority.

Sec. 31. [APPROPRIATION.]

The sum of \$6,000,000 is appropriated from the general fund to the commissioner of public welfare to be used to provide reimbursement to counties for their costs of administering public assistance programs pursuant to Minnesota Statutes, section 256D.22, for the calendar year beginning January 1, 1985.

The commissioner of public welfare shall insure that each county receives its payment under section 256D.22 for the period January 1 to June 30, 1985, on the first working day of July, 1985. Subsequent payments shall be made as reimbursements based on the previous month's costs.

Sec. 32. [APPROPRIATIONS.]

Subdivision 1. The sum of \$135,614 is appropriated from the general fund to the commissioner of revenue for the purpose of providing increased local government aid distributions under section 14. If this appropriation is not sufficient, aid amounts determined pursuant to section 14 shall be proportionately reduced.

Subd. 2. An amount sufficient to carry out the provisions of sections 20 and 21 is appropriated from the general fund to the commissioner of revenue.

Sec. 33. [REPEALER.]

Minnesota Statutes 1983 Supplement, section 273.11, subdivision 7, is repealed.

Sec. 34. [EFFECTIVE DATE.]

The percentage changes in section 1 are effective for taxes levied in 1984, payable in 1985, and thereafter. The increase in the maximum credit in section 1 is effective for taxes levied in 1983, payable in 1984, and thereafter. Sections 2 to 4 are effective the day following final enactment. Sections 5 to 9 are effective for taxes levied in 1984, payable in 1985, and thereafter. Sections 11 and 12 are effective for claims based on property taxes payable in 1984. Section 13 is effective January 1, 1985. Sections 14 to 16, and 18 to 22 are effective the day following final enactment.

Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), section 23 is effective without local approval on the day after final enactment.

ARTICLE 3 ECONOMIC DEVELOPMENT

- Section 1. Minnesota Statutes 1983 Supplement, section 273.1312, subdivision 4, is amended to read:
- Subd. 4. [ELIGIBILITY REQUIREMENTS.] An area is eligible for designation if the following requirements are met:
 - (a) Its The boundary of the zone or each subdivision of the zone is continu-

ous and includes vacant or underutilized lands or buildings.

- (b) The area of the zone is less than 400 acres and. The total market value of the taxable property contained in the zone at the time of application is less than \$100,000 per acre or \$300,000 per acre for an area located wholly within a first class city, except that these. A zone which is located in a city of the third or fourth class may be divided into two to four separate subdivisions which need not be contiguous with each other. Each subdivision must contain not less than 100 acres. The restrictions provided by this paragraph shall not apply to areas designated pursuant to paragraph (c), clause (2) or (3).
- (c) (1) The proposed zone is located within an economic hardship area, as established by meeting two or more of the following criteria:
- (A) the number of residential housing units within the area which are substandard is 15 percent or greater under criteria prescribed by the commissioner using data collected by the bureau of the census or data submitted by the municipality and approved by the commissioner;
- (B) the percentage of households within the area that fall below the poverty level, as determined by the United States census bureau, is 20 percent or greater;
- (C) (i) the total market value of commercial and industrial property in the area has declined over three of the preceding five years, or (ii) the total market value of all property in the area, as equalized by the sales ratio study, has declined or its growth it has lagged three percentage points behind the statewide growth in total equalized market value in the state increased less than 10.5 percent over the preceding three-year period;
- (D) for the last full year for which data is available, the nonfarm per capita income in the area was 90 percent or less of the median per capita income for the state, excluding standard metropolitan statistical area, or for the standard metropolitan statistical area if the area is located in a standard metropolitan statistical area;
- (E) (i) the current rate of unemployment in the area is 120 percent of the statewide average unemployment for the previous year last 12-month period for which verifiable figures are available, or (ii) the total number of employment positions has declined by ten percent during the last 18 months; or
- (2) The area is so designated under federal legislation providing for federal tax benefits to investors, employers or employees in enterprise zones; or
- (3) The area consists of a statutory or home rule charter city with a contiguous border with a city in another state or with a contiguous border with a city in Minnesota which has a contiguous border with a city in another state and the area is determined by the commissioner to be economically or fiscally distressed.

For purposes of this subdivision, an economic hardship area must have a population under the most recent federal decennial census of at least (i) 4,000 if any of the area is located wholly or partly within a standard metropolitan statistical area, or (ii) 2,500 for an area located outside of a standard metropolitan statistical area, or (iii) no minimum in the case of an area located in an Indian reservation; except that, in the case of two or more cities seeking designation of an enterprise zone under a joint exercise of power pursuant to

section 471.59, the minimum population required by this provision shall not exceed the sum of the populations of those cities.

- Sec. 2. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 8, is amended to read:
- Subd. 8. [FUNDING LIMITATIONS.] The maximum amount of the tax reductions which may be authorized pursuant to designations of enterprise zones under section 273.1312 and this section is limited to \$32,000,000 \$38,610,940. The maximum amount of this total which may be authorized by the commissioner for tax reductions pursuant to subdivision 9 that will reduce tax revenues which otherwise would have been received during fiscal years 1984 and 1985 is limited to \$8,000,000 \$9,000,000. Of the total limitation and the 1984-1985 biennial limitation the commissioner shall allocate to enterprise zones designated under section 273.1312, subdivision 4, paragraph (c), clause (3), an amount equal to \$10,000,000 and \$4,000,000 \$16,610,940and \$5,000,000 respectively. These funds shall be allocated among such zones on a per capita basis except that the maximum allocation to one city on a per capita basis is \$6,610,940.95. In the case of a border city allocation, if the maximum allocation is reached for a city, the per capita calculation for the remaining cities must be calculated on the basis of the total allocation minus the maximum allocation. An amount sufficient to fund the state funded property tax credits authorized pursuant to this section is appropriated to the commissioner of revenue. Upon designation of an enterprise zone the commissioner shall certify the total amount available for tax reductions in the zone for its duration. The amount certified shall reduce the amount available for tax reductions in other enterprise zones. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions in excess of the amount certified, the commissioner shall implement a plan to reduce the available tax reductions in the zone to an amount within the sum certified. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions below the amount certified, the difference shall be available for certification in other zones or used in connection with an amended plan of tax reductions for the zone as the commissioner determines appropriate. If the tax reductions authorized result in reduced revenues for a dedicated fund, the commissioner of finance shall transfer equivalent amounts to the dedicated fund from the general fund as necessary.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 1, is amended to read:
- Subdivision 1. [DEFINITIONS.] (a) "Small business assistance office" means a nonprofit corporation which is formed under chapter 317, is an exempt organization under section 501(c)(3) of the Internal Revenue Code, and satisfies the following conditions:
- (1) The primary purpose of the corporation is to aid in the formation of new businesses which create jobs in the state by training or providing other direct assistance to entrepreneurs, managers, inventors, and other individuals in the development, financing, and operation of qualified small businesses.
- (2) The corporation provides audited financial statements to all contributors and the commissioner of energy, planning, and development within 90 days following the close of the corporation's fiscal year.

- (3) The corporation employs, at least, two full-time professional employees or the equivalent.
- (4) The corporation is not engaged in providing financing or primarily engaged in arranging financing for businesses.
- (5) The commissioner of energy, planning and economic development certifies that the corporation satisfies the requirements of this paragraph for the calendar year.
- (b) "Technology" means a proprietary process, formula, pattern, device, or compilation of scientific or technical information unless it
 - (1) is in the public domain; or
 - (2) cannot be accurately valued.
- (c) "Controlled group of corporations" means the controlled group of corporations as defined in section 1563 of the Internal Revenue Code, and if the corporation is part of a unitary business, includes the corporations or entities constituting the unitary business which are not in the controlled group of corporations as defined in section 1563.
- (d) An "innovation center public corporation" is a nonprofit public corporation located at a state university in Minnesota that has the purpose of assisting, encouraging, developing, and advancing the high technology small business prosperity and economic welfare of the state.
- (e) The "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through January 15, 1983.
- (f) "Qualified small business" means a business an entity, whether organized as a corporation, partnership, or proprietorship, organized for profit if the entity: that satisfies the following conditions.
- (1) Has The entity had 20 or fewer employees and has had less than \$1,000,000 in gross annual receipts; in each of its three previous taxable years. The number of employees for purposes of this clause and clause (2) shall be determined on an annualized full-time equivalent basis.
- (2) The entity is not a subsidiary or an affiliate of a business an entity which employs more than 20 employees or has which had total gross receipts for the previous year of more than \$1,000,000, computed by aggregating all of the employees and gross receipts of the business entities affiliated with the business.
 - (3) The entity has its commercial domicile in this state;
- (4) Does The entity did not derive more than 20 percent of its gross receipts from royalties, rents, dividends, interest, annuities, and sales or exchanges of stock or securities; in entities other than itself in one or more of the three previous taxable years. Gross receipts from the sale of stock or securities shall be taken into account only to the extent of gains realized. If the business was not in operation for an entire year at the time of application for certification, this clause is not satisfied if the entity engages in or intends to engage in a trade or business producing or is likely to derive more than 20 percent of its gross receipts from rents, royalties, dividends, interest, annuities, and sales or exchanges of stock or securities. This clause does not apply to a sole

proprietor or to the first taxable year of the entity if the total amount of passive income for the year is less than \$3,000.

- (5) The entity is not engaged in a trade or business, the primary purpose of which is described in section 103(b)(6)(O) of the Internal Revenue Code of 1954, as amended through January 15, 1983; and.
- (6) For purposes of the equity investment credit, a qualified small business must also be an entity that, (1) on the first day of the second calendar year preceding the calendar year in which begins the taxable year for which the investment is made, had fewer than four full-time or part-time employees and had less than \$5,000 in gross annual receipts for that calendar year or (2) was certified by the commissioner of energy and economic development prior to April 10, 1984.
- (7) Is certified by The commissioner of energy, planning and economic development certifies that it the entity satisfies the requirements of clauses (1) to (5) (6). An income tax return filed with the commissioner of energy and economic development in order to obtain a certification is nonpublic data or private data on individuals, whichever is applicable, as defined in section 13.02.
- Sec. 4. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 2, is amended to read:
- Subd. 2. [TECHNOLOGY TRANSFER CREDIT.] A credit may be claimed against the taxes imposed by this chapter in an amount equal to 30 percent of the net value of the technology transferred to a qualified small business if the following conditions are satisfied:
- (a) The commissioner certifies that the technology has the value claimed by the transferor taxpayer.
- (b) The transferor taxpayer is the exclusive and undisputed owner of the technology at the time the transfer is made.
- (c) Except as provided in paragraph (h), the transferor retains no proprietary or financial interest in the technology subsequent to its transfer to the qualified small business and no credit is claimed for the transfer of the technology in a prior or subsequent taxable year, except pursuant to the carryover provisions of subdivision 5.
- (d) The credit shall apply only to the first \$1,000,000 of the net value of the technology transferred during the taxable year. The value of the technology shall not exceed the total qualified research expenses, as defined in section 290.068, subdivision 2, expended by the transferor to create or develop the technology. For purposes of this elause paragraph, "net value" means the total value of the technology less any payments received from the transferee and less the value of any equity interest in the transferee received by the transferor in exchange for the technology. For purposes of determining the value of the equity interest, the total value of the transferee shall be deemed to be not less than the value of the technology transferred, less any cash payment made to the transferor.
- (e) The taxpayer has not deducted the value of the transferred property from income under any other provisions of this chapter, except that the costs of developing the technology may have been deducted as a business expense or

depreciated or included in the computation of the research and experimental expenditure credit pursuant to section 290.068.

- (f) The transferee business entity may not be a subsidiary or affiliate of the transferor taxpayer.
- (g) The transferee makes a substantial investment in acquiring or developing the technology. The requirements of this clause are satisfied if over a two-year period beginning not later than the date of the transfer (1) the transferee pays the transferor an amount equal to 20 percent of the value of the technology in return for acquisition of the rights to the technology, or if (2) the transferee expends an equivalent amount for equipment, materials, wages, or other direct costs to develop, produce, or otherwise use the technology. The requirements of this paragraph may not be satisfied by granting the transferor an equity interest as provided by paragraph (h).
- (h) The transferor may receive in exchange for the transfer of the technology an equity interest in the transferee, but this interest may not exceed 25 percent of the capital interest, if the transferee is a partnership, or 25 percent in value of the outstanding stock, if the transferee is a corporation. The transferor's basis in the equity interest shall be reduced by the amount of the credits received pursuant to this subdivision. The transferor may not deduct any loss realized on the sale or exchange of the equity interest.
- (i) The maximum credit which is allowed for technology transferred during the taxable year is \$300,000. The maximum credit which is allowable for technology transferred during all taxable years to an entity or a related person to the transferee entity is \$300,000. A person is a related person to the entity if (1) the relationship would result in disallowance of losses under section 267 or 707(b) of the Internal Revenue Code or (2) the person and the entity are members of the same controlled group or corporation.

The commissioner may require that the taxpayer obtain an appraisal of the value of the transferred technology by a reliable, expert third party. The disclosure to a third party appraiser of information necessary to make an appraisal shall not be subject to the provisions of section 290.61. The commissioner may promulgate administrative rules for appraising the value of transferred technology.

- Sec. 5. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:
- Subd. 2a. [RECAPTURE; TECHNOLOGY TRANSFER CREDIT.] (a) A corporation which receives a tax reduction pursuant to subdivision 2 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a three-year period after the date of transfer of the technology.
 - (1) The transferee ceases operations in Minnesota.
 - (2) The transferee becomes a subsidiary or affiliate of the transferor.
- (3) The transferee sells, transfers, or otherwise disposes of the rights to technology.
- (4) The transferee fails to make the necessary payments or expenditures required by subdivision 2, paragraph (g).

- (5) The transferee grants an interest to the transferor in violation of subdivision 2, paragraph (h).
- (b) The amount of the repayment is determined pursuant to the following schedule:

Occurrence of event causing recapture	Repayment portion
Less than six months	100 percent
Six months or more but less than 12 months	83-1/3 percent
12 months or more but less than 18 months	66-2/3 percent
18 months or more but less than 24 months	50 percent
24 months or more but less than 30 months	33-1/3 percent
30 months or more but less than 36 months	16-2/3 percent

- Sec. 6. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 4, is amended to read:
- Subd. 4. [EQUITY INVESTMENT CREDIT.] (a) A credit shall be allowed against the tax imposed by this chapter for the taxable year in an amount equal to 30 percent of the net investment in excess of \$25,000 in the equity stock of a qualified small business, which is organized as a corporation. The maximum amount of the credit for a taxable year may not exceed \$75,000. The credit for the taxable year is the least of
 - (1) \$75,000, or
- (2) 30 percent of the sum of the following, computed for the investment in each qualified small business:
- (A) The net investment made by the taxpayer during the taxable year in the equity stock of the qualified small business, less
 - (B) \$25,000; or
- (3) 75 percent of the taxpayer's tax liability computed after subtraction of all nonrefundable credits.
 - (b) For purposes of this credit the following limitations apply:
- (1) Equity stock means common or preferred stock in the qualified small business, and shall not include any security which provides for fixed or variable interest payments which would be treated as debt under section 385 of the Internal Revenue Code.
- (2) The taxpayer and any related persons may not own more than 49 percent of the value of any class of stock. For purposes of this paragraph clause, a person is a related person to another person if (i) the relationship between the persons would result in a disallowance of losses under section 267 or 707(b) of the Internal Revenue Code of 1954 or (ii) the persons are members of the same controlled group of corporations. The restrictions provided by this subdivision shall apply for a three year period beginning on the date the stock is purchased. If the taxpayer or a related person acquires more than 49 percent of the value of any class of stock after the allowance of a credit under this subdivision and prior to the end of the three year period, the taxpayer's tax for the taxable year in which the credit was allowed shall be increased by the amount of the credit previously claimed.
 - (3) The credit shall not exceed 75 percent of the taxpayer's tax liability com-

puted after the subtraction of all credits, other than the credit provided in this subdivision. "Net investment" is limited to cash or the fair market value of marketable securities that are transferred to the qualified small business in return for equity stock, less the value of any other property or other consideration received by the taxpayer. Marketable securities are limited to (A) obligations of the United States government, (B) securities of a corporation or other entity the stock or other securities of which are listed by the New York or American Stock Exchange or by the National Association of Securities Dealers Automated Quotation System, or (C) state or local government obligations, other than industrial development bonds as defined in section 103(b) of the Internal Revenue Code. The transfer of the assets of an entity engaged in a trade or business as a corporation, partnership, association, or proprietorship to a corporation shall not qualify as a net investment for purposes of the credit, if the ownership of the transferee corporation is substantially the same as that of the entity. Any property owned by or used directly in the business, pledged as collateral, or used as working capital shall constitute assets of the business.

- (b) (c) If the principal place of business of the qualified small business is located in an enterprise zone designated pursuant to section 273.1312, \$10,000 shall be substituted for \$25,000 and \$100,000 for \$75,000 in paragraph (a).
- (e) (d) The taxpayer's basis in the stock shall be reduced by the amount of the credit.
- (e) In the case of investments made by a small business corporation, having a valid election in effect under section 1362 of the Internal Revenue Code, or by a partnership, the net investments shall be allocated among the shareholders or partners on a pro rata basis and the limitations contained in paragraphs (a) and (c) shall apply to each shareholder or partner.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:
- Subd. 4a. [RECAPTURE; EQUITY INVESTMENT CREDIT.] (a) A taxpayer who receives a tax reduction pursuant to subdivision 4 shall repay to the commissioner an amount of the tax reduction as specified in paragraph (b) if any of the following conditions occur within a four-year period after the date of the investment:
- (1) The taxpayer transfers, sells, or otherwise disposes of the stock other than transfer by the estate of a taxpayer who died after acquiring the stock.
- (2) The taxpayer or a related person acquires an interest in the qualified small business in excess of that permitted by subdivision 4, clause (b)(2).
 - (3) The transferee ceases operations in Minnesota.
- (b) The amount of the repayment is determined pursuant to the following schedule:

Occurrence of event causing recapture Less than six months Six months or more but less than 12 months 12 months or more but less than 18 months 18 months or more but less than 24 months Repayment portion 100 percent 87-1/2 percent 75 percent 62-1/2 percent 24 months or more but less than 30 months 30 months or more but less than 36 months 36 months or more but less than 42 months 42 months or more but less than 48 months 50 percent 37-1/2 percent 25 percent 12-1/2 percent

- (c) If a credit was allowed for a qualified small business whose principal place of business was located in an enterprise zone and the business ceases operations in the zone within three years after the investment is made, the taxpayer shall file an amended return claiming the credit without regard to subdivision 4, paragraph (c).
- Sec. 8. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:
- Subd. 4b. [MULTISTATE BUSINESSES.] If a qualified small business is engaged in a business partly within and partly without the state, the credit allowable pursuant to subdivision 2 or 4 for technology transferred to or a net investment made in the business must be apportioned. The credit determined pursuant to subdivision 2 or 4 must be multiplied by the arithmetical average of the qualified small business property and payrolls, determined as provided by section 290.19, subdivision I, clauses (2)(a)(2) and (2)(a)(3), using data from the most recently available year. After the technology is transferred or the investment made, the qualified small business shall certify to the transferor taxpayer its factors under section 290.19, subdivision 1, clauses (2)(a)(2) and (2)(a)(3) for each of the succeeding two tax years. If the factors for either of these years would result in at least a 25 percent change in the allowable credit, the taxpayer shall file an amended return repaying or claiming the difference in the credit. The preceding sentence does not apply if the qualified small business ceases operations in Minnesota and the recapture provisions of subdivision 2a or 4a apply.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 290.069, subdivision 5, is amended to read:
- Subd. 5. [LIMITATIONS CARRYOVER; OTHER CONDITIONS.] The provisions of section 290.068, subdivisions 3, clause (a); 4; and 5 shall apply to the sum of the credits which this section allows, except that no carryback shall be allowed. The carryover provisions of section 290.068, subdivision 3, clause (b); shall apply to the sum of the credits allowed by this section except that the term "research eredit" or "research and experimental expenditure credit" shall include the credits authorized by subdivisions 2 and 3 of this section. If the amount of the allowable credit pursuant to subdivision 2 or 3 for the taxable year exceeds the taxpayer's tax liability or if the limitation contained in subdivision 4, clause (a)(3) applies, the unused credit for the taxable year is a carryover to each of the succeeding five taxable years. The entire amount of the unused credit must be carried to the earliest of the taxable years to which it may be carried. "Tax liability" means the tax imposed by this chapter reduced by the sum of the nonrefundable credits allowed under this chapter and the credit allowed by section 290.068. The credits allowed by subdivisions 2 and 3 shall only be available to corporations and banks whose tax is computed pursuant to section 290.06, subdivision 1.

The maximum limitations on the amount of credits pursuant to subdivisions 2 and, 3, and 4 shall be determined by aggregating together the credits of all the corporations in the controlled group of corporations with the taxpayer. In

order to facilitate compliance with and enforcement of this provision the commissioner may require the taxpayer to claim the credit on a combined report of the unitary business or to file a copy of the consolidated federal return with the state return or both.

- Sec. 10. Minnesota Statutes 1983 Supplement, section 290.069, is amended by adding a subdivision to read:
- Subd. 7. {COMMISSIONER'S POWER TO DISALLOW CREDIT.] The commissioner may disallow a credit under subdivision 2 or 4 if he determines that the transaction giving rise to the credit was entered into by the parties primarily to reduce taxes and not primarily for an independent business or commercial purpose other than the reduction of taxes.
- Sec. 11. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, is amended to read:
- Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state.
- (b) If the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.
 - (c) The dividend deduction provided in this subdivision shall be allowed

only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

- (d) If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.
- (e) In lieu of the deduction provided for in clause (a) of this subdivision, 100 percent of the dividends received by a corporation from another corporation which is organized under the laws of a foreign country or a political subdivision of a foreign country, if the dividends are paid from income arising from business conducted outside of the contiguous boundaries of the United States or any possession of the United States; and when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer, or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, or when the trade or business of the taxpayer does not consist principally of holding of the stocks and the collection of the income or gains therefrom.
- Sec. 12. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:
- Subd. 16. [CAPITAL EQUIPMENT.] Capital equipment means machinery and equipment and the materials and supplies necessary to construct or install the machinery or equipment. To qualify under this definition the capital equipment must be used by the purchaser or lessee for manufacturing or fabricating a product to be sold at retail and must be used for the establishment of a new or the physical expansion of an existing manufacturing or fabricating facility in the state. Capital equipment does not include (1) machinery or equipment purchased or leased to replace machinery or equipment performing substantially the same function in an existing facility, (2) repair or replacement parts, or (3) machinery or equipment used to extract, receive, or store raw materials.
- Sec. 13. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:
- Subd. 17. [SPECIAL TOOLING.] Special tooling means tools, dies, jigs, patterns, gauges and other special tools which have value and use only for the

buyer and for the use for which it is made. An item has use or value only to the buyer if the item is not standard enough to be stocked or ordered from a catalog or other sales literature, but must be produced in accordance with special requirements peculiar to the buyer and not common to someone else whose conditions for possible use of the material are reasonably similar to the buyer's.

- Sec. 14. Minnesota Statutes 1983 Supplement, section 297A.02, subdivision 2, is amended to read:
- Subd. 2. [FARM MACHINERY AND EQUIPMENT.] Notwithstanding the provisions of subdivision 1, the rate of the excise tax imposed upon sales of farm machinery shall be and capital equipment is four percent.
- Sec. 15. Minnesota Statutes 1983 Supplement, section 297A.14, is amended to read:
- 297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.]

For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, there a use tax is imposed on every person in this state a use tax at the rate of six percent of the sales price of sales at retail of any of the aforementioned items unless the tax imposed by section 297A.02 was paid on the sales price. Notwithstanding the provisions of this paragraph the preceding sentence, the rate of the use tax imposed upon the sales price of sales of farm machinery shall be and capital equipment is four percent.

A motor vehicle subject to tax under this section shall be taxed at its fair market value at the time of transport into Minnesota if the motor vehicle was acquired more than three months prior to its transport into this state.

Sec. 16. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

- (a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:
 - (i) cardy and candy products;
- (ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-

carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;

- (b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;
- (c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;
- (d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;
- (g) The gross receipts from the sale of clothing and wearing apparel except the following:
- (i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations

thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

- (ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.
- (iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.
- (iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.
- (h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, and all special tooling are included within the exemption provided herein;
- (i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising

in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

- (j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
- (k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property. plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;
- (1) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings

basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

- (m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.
- (n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.
- (o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.
- (p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
 - (q) The gross receipts from the sale of caskets and burial vaults;
- (r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.
- (s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.
- (t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors,

builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

- (u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.
- (v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.
- (w) The gross receipt from the sale of residential heating fuels in the following manner:
- (i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use;
- (ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January, February, March and April;
- (iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.
- (x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).
- (y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:
- (i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and
- (ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educa-

tional, or nonprofit uses and not for social, recreational, pleasure or profit uses.

- (z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.
- Sec. 17. Minnesota Statutes 1982, section 297B.035, subdivision 3, is amended to read:
- Subd. 3. Motor vehicles sold by a new motor vehicle dealer in contravention of section 168.27, subdivision 10, clause (1)(b) shall not be considered to have been acquired or purchased for resale in the ordinary or regular course of business for the purposes of this chapter, and the dealer shall be required to pay the excise tax due on the purchase of those vehicles. The sale by a lessor of a new motor vehicle under lease within 120 days of the commencement of the lease is deemed a sale in contravention of section 168.27, subdivision 10, clause (1)(b) unless the lessor holds a valid contract or franchise with the manufacturer or distributor of the vehicle.
- Sec. 18. Minnesota Statutes 1982, section 462.445, subdivision 10, is amended to read:
- Subd. 10. [INTEREST REDUCTION PROGRAM.] An authority may develop and administer an interest reduction program or programs to assist the financing of the construction, rehabilitation, and purchase of commercial or industrial facilities or housing units which are primarily for occupancy by individuals of low or moderate income and related and subordinate facilities. An authority may:
- (a) pay in periodic payments or in a lump sum payment any or all of the interest on loans made pursuant to chapter 462C or subdivision 9;
- (b) pay any or all of the interest on bonds issued pursuant to chapter 462C, or pursuant to this chapter for the purpose of making loans authorized by subdivision 9;
- (c) pay in periodic payments or in a lump sum payment any or all of the interest on loans made by private lenders to purchasers of housing units;
- (d) pay any or all of the interest due on loans made by private lenders to a developer for the construction or rehabilitation of housing units;
- (e) pay in periodic payments or in a lump sum payment any or all of the interest on loans made by any person to a developer for the construction, rehabilitation, and purchase of commercial facilities which are related and subordinate to the construction, rehabilitation, or purchase of housing units which receive interest reduction assistance provided that the entire development is composed primarily of housing units;
- (f) pay any or all of the interest on bonds issued pursuant to chapter 474, when the bonds are issued for a project which is related and subordinate to the construction, rehabilitation, or purchase of housing units which receive interest reduction assistance provided that the entire development is composed primarily of housing units;
- (g) pay in periodic payments or in a lump sum payment any or all of the interest on loans made pursuant to Laws 1982, Chapter 590, Sections 1 to 5 for the rehabilitation or preservation of small and medium sized commercial

buildings; and

- (h) pay any or all of the interest on bonds issued pursuant to section 459.33-:
- (i) pay in periodic payments or in a lump sum payment any or all of the interest on loans made pursuant to chapter 474;
- (j) pay in periodic payments or in a lump sum payment any or all of the interest on a loan made by a private lender to a purchaser of a commercial or industrial facility; and
- (k) pay in periodic payments or in a lump sum payment any or all of the interest on a loan made by a private lender to a person for the construction or rehabilitation of a commercial or industrial facility. The provisions of section 273.75, subdivision 1, relating to the requirement for the issuer of bonds, the construction of public improvements, or the public acquisition of property shall not apply to a district which is established solely for the purpose of financing an interest reduction program.

Sec. 19. [PLANT EXPANSION GRANTS.]

Subdivision 1. [APPROPRIATION.] The sum of \$3,400,000 is appropriated from the general fund to the commissioner of energy and economic development for the purpose of providing grants to industrial operations that are substantially renovating their facilities, provided that the renovation enables the operation to continue to provide a substantial portion of the industrial employment of the community in which it is located. The grant is intended to help meet the cost of property tax increases due to plant expansion or renovation and the cost of sales tax or equipment purchased to replace obsolete, inadequate, or inefficient equipment in the plant.

Of the sum appropriated, up to \$1,000,000 may be granted to a meat processing and packing facility that, at the time when renovation or expansion of the facility begins, provides over 20 percent of the industrial employment in the city. Up to \$2,400,000 may be granted to a manufacturer of internal combustion engines, generators, electrical generating sets, and switchgear that, at the time when renovation or expansion of the facility begins, provides over ten percent of the industrial employment in the city. Designation of grant recipients is not subject to the provisions of chapter 14.

Subd. 2. [RECAPTURE.] A business that receives a grant pursuant to subdivision 1 shall repay to the commissioner of energy and economic development a portion of the grant if, within five years of the receipt of the grant, the commissioner determines that (1) the recipient has failed to renovate or expand its facility according to the schedule submitted pursuant to subdivision 1 and that the recipient is unlikely to resume the renovation or expansion activity according to a schedule that is reasonably similar in result to the original schedule, allowing for some extension of time, not to exceed 20 percent of the time originally scheduled, for accomplishment of the renovation or expansion, or (2) the recipient has ceased operation of the facility.

The amount of the repayment is determined according to the following schedule:

Occurrence of event causing recapture Less than one year

Repayment portion 100 percent

One year or more but less than two years Two years or more but less than three years Three years or more but less than four years Four years or more but less than five years 80 percent 60 percent 40 percent 20 percent

Sec. 20. [ALLOCATION TO DULUTH.]

The city of Duluth is allocated \$6,610,940 of the tax reductions permitted by section 273.1314, subdivision 8, pursuant to its designation under section 273.1312, subdivision 4, paragraph (c), clause (3).

Sec. 21. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. Sections 2, 17, 19 and 20 are effective July 1, 1984. Sections 3 to 10 are effective for taxable years beginning after December 31, 1983, except that they shall not apply to qualified small businesses that had been certified by the commissioner of energy and economic development prior to April 10, 1984. Section 11 is effective for tax years beginning after June 30, 1985. Sections 12 to 16 are effective July 1, 1984.

ARTICLE 4 TACONITE

Section 1. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed as follows: the first \$60,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. The maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to sections 124.2137, 273.123, 273.135, and 473H.10 shall be reduced by 54 percent of the tax; provided that the amount of the reduction shall not exceed \$650. Noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.2137, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

The assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that

dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 2. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property. except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first \$30,000 of market value shall be valued and assessed at 17 percent; the next \$30,000 of market value shall be valued and assessed at 19 percent; and the remaining market value shall be valued and assessed at 30 percent. The maximum amounts of the market value of the homestead brackets subject to the 17 percent and 19 percent rates shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, 273.135, and 473H.10 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Class 3cc property shall include real estate or manufactured homes used for the purposes of a homestead by (a) any blind person, if the blind person is the owner thereof or if the blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) receives 90 percent or more of his total income from (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability. Property shall be classified and assessed as class 3cc only if the commissioner of revenue certifies to the assessor that the owner of the property satisfies the requirements of this subdivision. Class 3cc property shall be valued and assessed as follows: in the case of agricultural land, including a manufactured home, used for a homestead, the first \$30,000 of market value shall be valued and

assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and manufactured homes, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 19 percent, and the remaining market value shall be valued and assessed at 30 percent. In the case of agricultural land including a manufactured home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 273, 1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and manufactured homes, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 19 percent rates. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650.

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

- Sec. 3. Minnesota Statutes 1982, section 273.135, subdivision 5, is amended to read:
- Subd. 5. For the purposes of this section, the amount of property tax to be paid shall be determined before after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.
- Sec. 4. Minnesota Statutes 1982, section 273.1391, subdivision 4, is amended to read:
- Subd. 4. For the purposes of this section, the amount of property tax to be paid shall be determined before after the allowance of any reduction prescribed by section 273.13, and the reduction prescribed by this section shall be in addition to that prescribed by section 273.13.
- Sec. 5. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a, is amended to read:
- Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to \$90 per pupil

unit, or \$95 per pupil unit in districts where the actual number of pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), has increased from the prior year. No levy under this clause shall exceed seven mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.

- (b) The proceeds of the tax may be used to acquire land, to equip and re-equip buildings and permanent attached fixtures, to rent or lease buildings for school purposes, to pay leasing fees for computer systems hardware and related proprietary software, and to pay leasing fees for photocopy machines and telecommunications equipment. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, such as those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals. The proceeds of the tax may also be used to make capital improvements to schoolhouses to be leased pursuant to section 123.36, subdivision 10. The proceeds of the tax may also be used to pay fees for capital outlay expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors. The proceeds of the tax may also be used to pay principal and interest on loans from the state authorized by section sections 116J.37 and 298,292 to 298,298.
- (c) Subject to the commissioner's approval, the tax proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.
- (d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.
- (e) The proceeds of the tax shall not be used for custodial or other maintenance services.
- (f) Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per pupil unit for capital expenditures for equipment for these programs.
- (g) For purposes of computing allowable levies under this subdivision and subdivisions 11b and 11c, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, section 124.17, subdivision 1,

clauses (4) and (5) for 1980-1981.

- Sec. 6. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b, is amended to read:
- Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivision 11a, each year a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:
- (a) for energy audits on district-owned buildings, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;
- (b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;
- (c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;
- (d) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation;
- (e) for expenditures for the cleanup and disposal of polychlorinated biphenyls; and
- (f) to pay principal and interest on loans from the state authorized by section sections 116J.37 and 298.292 to 298.298.
- Sec. 7. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 12a, is amended to read:
- Subd. 12a. [ENERGY CONSERVATION LEVY.] The school district may levy, without the approval of a majority of the voters in the district, an amount equal to the actual costs of the energy conservation investments for the purposes of repaying the principal and interest of the law made pursuant to section sections 116J.37 and 298.292 to 298.298.
 - Sec. 8. Minnesota Statutes 1982, section 298.01, is amended to read:

298.01 [MINING OR PRODUCING ORES.]

Subdivision 1. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the state of Minnesota an occupation tax equal to 15.5 percent of the valuation of all ores except taconite, semi-taconite and iron sulphides mined or produced after December 31, 1971 and iron ores mined or produced after December 31, 1984. Said tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Subd. 2. Every person engaged in the business of producing or mining taconite, semi-taconite and iron sulphides in this state shall pay to the state an

occupation tax equal to 15 percent of the valuation of all taconite, semi-taconite and iron sulphides mined or produced after December 31, 1970 and of iron ores mined or produced after December 31, 1984. The tax shall be in addition to all other taxes provided for by law and shall be due and payable from such person on or before June 15 of the year next succeeding the calendar year covered by the report thereon to be filed as hereinafter provided.

Sec. 9. Minnesota Statutes 1982, section 298.02, subdivision 1, is amended to read:

Subdivision 1. [CREDIT.] For the purpose of increasing employment and the utilization of low-grade, underground, and high labor cost ores any tax-payer on whom a tax is imposed by reason of the provisions of section 298.01, subdivisions 1 and 2, shall be allowed a credit against the occupation tax as computed in said subdivisions that section because of the mining or production of ore from any mine, in an amount calculated as follows:

- (a) In the case of underground mines or that tonnage of merchantable ore produced in open pit mines in the year in question which tonnage has resulted from beneficiation at an ore beneficiation plant within the state by jigging, heavy media, cyclone process, roasting, drying by artificial heat, sintering, magnetic separation, flotation, agglomeration or any process requiring fine grinding any ferrous ore, ten percent of that part of the cost of labor employed by said the mine or in the beneficiation of all ore mined or produced in said the calendar year in excess of 70 cents and not in excess of 90 cents per ton of the merchantable ore produced during the year at said that mine, and 15 percent of that part of the cost of such labor in excess of 90 cents per ton; in the case of any other tonnage produced at said mine or in the case of other mines ores, ten percent of the amount by which the average cost per ton of labor employed at said the mine, or in the beneficiation of such the ore at or near the mine, exceeds 80 cents, but does not exceed \$1.05, plus 15 percent of the amount by which such the average labor cost per ton exceeds \$1.05, multiplied by the number of tons of ore produced at said the mine, not exceeding 100,000 tons, but this 100,000 tons or less shall be first reduced by any tonnage described in the first part of this subparagraph; provided, however, that in no event shall the credit allowed hereunder be in excess of three-fourths of eleven percent, as applied to underground and taconite or semi-taconite ferrous ore operations, and six-tenths of eleven percent as applied to all other operations, of the valuation of the ore used in computing the tax under the provisions of section 298.01. The expression term "merchantable ore produced" as used herein means ores which as mined or as mined and beneficiated, are ready for shipment as a merchantable product. The provisions of this subparagraph (a) shall be applicable to all ores mined or produced subsequent to December 31, 1956.
- (b) The aggregate amount of all credits allowed under this subdivision to all mines shall not exceed six and two-tenths percent of the aggregate amount of occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines in the state for said year prior to the deduction of such credits, provided, that after December 31, 1954, labor credits to underground mines or taconite or semi-taconite operations shall not be subject to such percentage limitation and that, after December 31, 1984, labor credits to other iron ore operations shall not be subject to the percentage limitation both the occupation taxes of such underground mines or taconite or semi-taconite ferrous ore shall be excluded in calculating such percentage limitations. At the time of his final determination of occupation tax pursuant to section 298.09, subdivision 3, the commissioner shall reduce the credit otherwise

allowable to each mine hereunder by such equal percentage as will bring the total within such limitation. If an equal percentage reduction is made in the labor credits of mines pursuant to this subparagraph at the time of certification to the commissioner of finance revenue as set forth in section 298.10, the same percentage will be used where changes are made pursuant to section 298.09, subdivision 4, subsequent to June 1. Also if no reduction is made at the time of certification to by the commissioner of finance revenue on or before June 1, pursuant to this subdivision and section 298.10, no reduction will be made subsequent to June 1, due to changes made pursuant to section 298.09, subdivision 4. This subparagraph shall apply to occupation tax calculations in calendar years subsequent to December 31, 1952.

Sec. 10. Minnesota Statutes 1982, section 298.09, subdivision 4, is amended to read:

Subd. 4. If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date the tax is certified as provided in section 298.10, redetermine the amount thereof. No such redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice thereof and an opportunity to be heard thereon. If an order is made increasing the tax, the same proceedings shall be had as provided for occupation taxes originally determined and certified. Any person who has paid an occupation tax may apply to the commissioner within the time herein limited for a redetermination of the tax, and if the commissioner determines that the tax has been overpaid, he shall make and file an order determining the amount of such overpayment, and credit it against occupation taxes or royalty taxes otherwise payable by the person who has overpaid the amount as so determined. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and paid; if the tax is reduced, interest at the rate of six percent per annum from the date of overpayment shall be allowed.

Sec. 11. Minnesota Statutes 1982, section 298.225, is amended to read:

298.225 [APPROPRIATION.]

If a taconite producer ceases beneficiation operations, either temporarily or permanently, and if For distribution of taconite production tax in 1985 and thereafter with respect to production in 1984 and thereafter, the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b) to, (7), and (8), would shall receive decreased distributions as a result thereof, then the distribution to these recipients in each of the two years immediately following the year in which operations ceased shall be equal to the amount they received in the last full year before operations ceased distributions equal to the amount distributed to them pursuant to sections 298.225 and 298.28, subdivision I with respect to 1983 production if the production for the year prior to the distribution year is no less than 40,000,000 taxable tons. If the production is less than 40,000,000 taxable tons, the amount of the distributions shall be reduced by two percent for each 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 40,000,000 tons. There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the corpus of the northeast Minnesota economic protection trust fund in equal proportions the

amount needed to make the above payments.

If a taconite producer ceases beneficiation operations permanently and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection trust fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the corpus of the northeast Minnesota economic protection trust fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 12. Minnesota Statutes 1982, section 298.24, subdivision 1, is amended to read:

Subdivision 1. (a) There is hereby imposed upon taconite and iron sulphides, and upon the mining and quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the concentrate so produced, a tax of \$1.25 cents per gross ton of merchantable iron ore concentrate produced therefrom. The tax on concentrates produced in 1978 and subsequent years prior to 1985 shall be equal to \$1.25 multiplied by the steel mill products index during the production year, divided by the steel mill products index in 1977. The index stated in code number 1013, or any subsequent equivalent, as published by the United States Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes for the month of January of the year in which the concentrate is produced shall be the index used in calculating the tax imposed herein. In no event shall the tax be less than \$1.25 per gross ton of merchantable iron ore concentrate. The tax on concentrates produced in 1985 and 1986 shall be at the rate determined for 1984 production. For concentrates produced in 1987 and subsequent years, the tax shall be equal to the preceding year's tax plus an amount equal to the preceding year's tax multiplied by the percentage increase in the implicit price deflator from the fourth quarter of the second preceding year to the fourth quarter of the preceding year. "Implicit price deflator" means the implicit price deflator prepared by the bureau of economic analysis of the United States Department of Commerce.

- (b) On concentrates produced in 1984, an additional tax is hereby imposed equal to 1.6 eight-tenths of one percent of the total tax imposed by clause (a) per gross ton for each one percent that the iron content of such product exceeds 62 percent, when dried at 212 degrees Fahrenheit.
- (c) The tax imposed by this subdivision on concentrates produced in 1984 shall be computed on the production for the current year or. The tax on concentrates produced in 1985 shall be computed on the average of the production for the current year and the previous year. The tax on concentrates produced in 1986 and thereafter shall be the average of the production for the current year and the previous two years, whichever is higher. This clause shall not apply in the case of the closing of a taconite facility if the property taxes on the facility would be higher if this clause and section 298.25 were not applicable.
- (d) If the tax or any part of the tax imposed by this subdivision is held to be unconstitutional, a tax of \$1.25 per gross ton of merchantable iron ore concentrate produced shall be imposed.
 - Sec. 13. Minnesota Statutes 1982, section 298.24, is amended by adding a

subdivision to read:

- Subd. 4. A credit shall be allowed against the tax imposed by subdivision 1, in the amount of \$250,000 per year to any taconite producer that builds a water filtration and treatment plant in 1984 at a cost in excess of \$1,000,000 in order to alleviate the contamination of water resulting from the disposal of taconite tailings on land. This credit shall be available against taxes paid in 1985, 1986, and 1987. The amount sufficient to pay these credits is appropriated from the taconite environmental protection fund created in section 298.223 to the commissioner of revenue.
- Sec. 14. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended to read:
- Subdivision 1. [DISTRIBUTION FROM GENERAL FUND.] The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:
- (1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton," to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.
- (2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.
- (3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:
- (a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).
- (b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to

this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2d.

- (c) On July 15, 1982 and on July 15 in subsequent years in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. On July 15, 1988 and subsequent years, the increase over the amount established for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivison 1, paragraph (a). Each district shall receive the product of:
- (i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times
 - (ii) the lesser of:
 - (A) one, or
- (B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to sections 124.2121 to 124.2128 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

- (d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.
 - (4) 19.5 cents per taxable ton to counties to be distributed as follows:
- (a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).
- (b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power

plant is located.

- (c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).
- (5) (a) 25.75 19.25 cents per taxable ton, less any amount required to be distributed under part parts (b) and (c), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.
- (b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.
- (c) If the assessed value of unmined iron ore as of January 2, 1982, in any city or town exceeds 50 percent of the total assessed value of the city or town as of that date, and if in any subsequent assessment year the assessed value of the unmined iron ore decreases by ten percent or more from the January 2, 1982 value, the city or town will receive an additional distribution in 1985 and thereafter. The distribution shall equal the difference between the hypothetical tax determined pursuant to the following sentence and the tax actually payable by the owners of all currently taxable property within the city or town. When computing mill rates for the city or town pursuant to sections 275.08 and 275.09, the county auditor shall include within the assessed value the difference between the current assessed value of unmined iron ore and the assessed value of unmined iron ore as of January 2, 1983.
- (6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.
- (7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1 and shall be increased in 1988 and subsequent years according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.
- (8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Min-

nesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

- (9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. Those amounts shall be increased in 1988 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.
- (10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: In 1981 and each year thereafter, Two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.
- (a) In 1978 and each year thereafter, There shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.
- (b) In 1978 and each year thereafter, There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law. which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection trust fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 15. Minnesota Statutes 1982, section 298.40, is amended by adding a subdivision to read:

Subd. 4. There is appropriated, effective July 1, 1985, to the commissioner of revenue from the general fund an amount equal to any credits due as a result of a recomputation of occupation taxes for production year 1977 and

previous years based on the limitations prescribed in section 298.40, subdivision 1, and established by the commissioner as an account payable on or before March 25, 1984. The commissioner shall refund to the taxpayers the amount of overpayment plus six percent interest per annum from the date of the overpayment.

Sec. 16. Minnesota Statutes 1982, section 299.012, subdivision 1, is amended to read:

Subdivision 1. For the purpose of increasing the utilization of low grade, underground, and high labor cost ores and taconites, the royalty tax levied by virtue of section 299.01, subdivisions 1 and 2, on royalty received because of the production of ores in any calendar year from land forming part of any mine which was in production during said year, shall be reduced by a credit in an amount which will make the net effective tax rate thereon equal to the net effective rate of the occupation tax imposed pursuant to section 298.01. because of the production of ores during such calendar year from the mine of which such land forms a part, after the application of the credits against such occupation tax allowed under section 298.02; provided, if such mine produced ore in such calendar year, but the ore produced had no valuation for occupation tax purposes because of the allowable deductions equaling or exceeding the value of the ore produced, the credit allowed hereunder shall be three-fourths of eleven percent, as applied to underground, taconite, and semi-taconite ferrous ore operations, and six-tenths of eleven percent as applied to all other operations, of the royalty received. Any person making payments of royalty taxes in advance of the final determination of such taxes, may assume for the purposes of section 299.08, that the net rate of the tax for the calendar year in question shall be the last full year's net effective occupation tax rate known at the time of the first payment of royalty tax during the current calendar year.

Sec. 17. [REFUNDS FROM PRODUCTION TAX CASE.]

Any refunds due to taconite producers under the decision of the Minnesota Supreme Court in Erie Mining Co. v. Commissioner of Revenue, filed January 6, 1984, shall be repaid to each company in five equal annual installments. The refunds shall be paid, to the extent possible, out of the distribution to the northeast Minnesota economic protection trust fund pursuant to Minnesota Statutes, section 298.28, subdivision 1, clause (10). To the extent that the sum of all refunds to be paid in a year exceeds the distribution to the trust fund for that year, the excess shall be paid out of the corpus of the trust.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 4 are effective for taxes levied in 1984, payable in 1985, and thereafter. Sections 5 to 7 are effective the day following final enactment. Sections 8, 9, and 16 are effective for ores produced after December 31, 1984. Section 10 is effective for taxes paid in 1986 and thereafter.

ARTICLE 5 BUDGET RESERVE

Section 1. Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE ACCOUNT.] A budget reserve account is created in the general fund in the state treasury. The commissioner of finance

on July 1, 1983, shall transfer \$250,000,000 to a the budget reserve account in the general fund in the state treasury. The commissioner of finance on July 1, 1984, shall transfer an additional \$125,000,000 to the budget reserve account in the general fund. The amounts transferred shall remain in the budget reserve account until expended under subdivision 1.

ARTICLE 6 MISCELLANEOUS

Section 1. [270.72] [TAX CLEARANCE BEFORE ISSUING PROFESSIONAL, TRADE, OR BUSINESS LICENSE.]

No license for the conduct of a profession, trade, or business may be issued or renewed by the state or its political subdivisions when the commissioner has notified the licensing authority that the applicant for the license owes the state delinquent withholding or sales taxes, penalties, or interest. The commissioner shall send a copy of the notice to the applicant. In the instance of the renewal of a license, the notice must include a statement that the applicant has 30 days to request a hearing before the commissioner. If the request is made and the applicant and the commissioner are unable to resolve their differences, a contested case hearing must be held within 45 days of the date the commissioner refers the case to the office of administrative hearings. The hearing must be conducted pursuant to the procedural rules contained in 9 MCAR SS 2.501 to 2.521. The hearing examiner shall issue the report with 15 calendar days following the close of the hearing record. The license may not be issued or renewed until the commissioner issues a tax clearance certificate. The commissioner will issue the certificate only if the applicant does not owe the state any uncontested delinquent withholding or sales taxes, penalties, or interest. Taxes will not be considered delinquent for purposes of this section if (a) an administrative or court action which questions the amount or validity of any unpaid taxes has been commenced, (b) the appeal period to contest the taxes or assessments has not expired, (c) the applicant has entered into a payment agreement to pay the delinquent taxes and is current with the payments or the taxpayer can show unusual hardship as determined by the commissioner.

A licensing authority that has received a notice from the commissioner may not issue or renew the applicant's license until the applicant or the commissioner forwards a tax clearance certificate to the licensing board.

All licensing authorities shall require the applicant's social security number and the business' Minnesota identification number on all license applications. Upon request of the commissioner, but not more frequently than once each year, the licensing authority shall provide to the commissioner a list of all applicants, stating the applicant's name and address, the business name and address, the applicant's social security number, and the business' Minnesota identification number.

In administering this section, the commissioner may not release the particulars of the delinquency.

Sec. 2. [TAX AMNESTY.]

The commissioner of revenue shall establish a tax amnesty program. The amnesty program applies to taxes payable to the commissioner and is only available to a taxpayer who either has an unpaid liability on the department of

revenue's accounts receivable system as of February 1, 1984, or who has failed to file a return which, if filed on February 1, 1984, would be considered a delinquent return subject to penalty by law. For a taxpayer who has an existing liability as of February 1, 1984, the commissioner shall accept as full payment of the account a certified check, cashier's check, or money order in the amount of 100 percent of the balance of the tax due and 80 percent of the balance of penalties and interest due on February 1, 1984, plus 100 percent of any interest accruing on that account since February 1, 1984, plus 100 percent of any additional liabilities including tax, penalty, and interest established by the commissioner subsequent to February 1, 1984. In no case may the reduction in liability exceed \$1,000. Tax amnesty shall not be available to any taxpayer who has an account which includes a civil fraud penalty imposed by the commissioner. Payment must be received by the commissioner on or after July 1, 1984, but before October 1, 1984. For the purposes of this section, "received" means actual receipt by the commissioner either at his office in St. Paul or at any field office of the department of revenue on or before the final date allowed for payment under the terms of this tax amnesty program.

In the case of a taxpayer who has failed to file returns which if filed on February 1, 1984, would be considered delinquent returns, the commissioner is authorized to accept the delinquent returns along with payment of all tax and interest if payment is made by certified check, cashier's check, or money order and received by the commissioner on or after July 1, 1984, but before October 1, 1984. For these delinquent returns filed pursuant to this tax amnesty program, the civil and criminal penalties imposed by law are waived unless the commissioner later finds that the tax as shown on any return was understated by 25 percent or more. In that case the civil and criminal penalties are hereby reinstated, and the commissioner shall collect the civil penalties and may pursue the criminal penalties.

- Sec. 3. Minnesota Statutes 1982, section 270A.03, subdivision 5, is amended to read:
- Subd. 5. "Debt" means a legal obligation of a natural person to pay a fixed and certain amount of money, which equals or exceeds \$25 and which is due and payable to a claimant agency. The term includes criminal fines imposed under section 609.10. A debt may arise under a contractual or statutory obligation, a court order, or other legal obligation, but need not have been reduced to judgment. A debt does not include (1) any legal obligation of a current recipient of assistance which is based on overpayment of an assistance grant, or (2) any legal obligation to pay a claimant agency for medical care, including hospitalization if the debtor qualified for a zero low income alternative tax pursuant to section 290.06, subdivision 3d, at the time when the medical care was rendered.
- Sec. 4. Minnesota Statutes 1982, section 270A.04, subdivision 2, is amended to read:
- Subd. 2. Any debt owed to a claimant agency shall be submitted by the agency for collection under the procedure established by sections 270A.01 to 270A.12 unless (a) an alternative means of collection is pending and believed to be adequate, (b) the collection attempt would result in a loss of federal funds, or (c) the agency is unable to supply the department with the

necessary identifying information required by subdivision 3 or rules promulgated by the commissioner, or (d) the debt is barred by section 541.05.

Sec. 5. Minnesota Statutes 1982, section 270A.08, subdivision 1, is amended to read:

Subdivision 1. Not later than five days after the claimant agency has sent notification to the department pursuant to section 270A.07, subdivision 1, the claimant agency shall send a written notification to the debtor asserting the right of the claimant agency to the refund or any part thereof. If the notice is returned to the claimant agency as undeliverable, or the claimant agency has reason to believe the debtor did not receive the notice, the claimant agency shall obtain the current address of the debtor from the commissioner and resend the corrected notice.

- Sec. 6. Minnesota Statutes 1982, section 270A.08, subdivision 2, is amended to read:
- Subd. 2. (a) This written notice shall clearly and with specificity set forth the basis for the claim to the refund including the name of the benefit program involved if the debt arises from a public assistance grant and the dates on which the debt was incurred and, further, shall advise the debtor of the claimant agency's intention to request set-off of the refund against the debt.
- (b) The notice will also advise the debtor of his right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice or of the corrected notice, as required by subdivision 1. If the debtor has not received the notice, the 45 days shall not commence until the debtor has received actual notice. The debtor shall have the burden of showing no notice and shall be entitled to a hearing on the issue of notice as well as on the merits.
 - Sec. 7. Laws 1982, chapter 523, article 4, section 2, is amended to read:

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day following final enactment and shall terminate June 30, 1984.

- Sec. 8. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:
- Subd. 3. When a mortgage secures a revolving line of credit under which advances, payments, and readvances may be made from time to time, the tax imposed under subdivision 1 shall be paid on the maximum amount of the line of credit which may be secured at any one time, as expressed in the mortgage, regardless of the time or amount of advances, payments, or readvances.
- Sec. 9. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:
- Subd. 4. No tax under subdivision I shall be paid on the indeterminate amount which may be advanced by the mortgagee in protection of the mortgaged premises or the mortgage, including taxes, assessments, charges, claims, fines, impositions, insurance premiums, amounts due upon prior or superior mortgages and other prior or superior liens, encumbrances and in-

terests, and legal expenses and attorneys' fees.

- Sec. 10. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:
- Subd. 5. When a mortgage secures an indeterminate amount other than those described in subdivision 3 or 4 and section 287.04, no tax shall be paid at the time the mortgage is recorded or registered, but the tax must be paid at the time of recording or filing an affidavit stating the amount and time of the actual advance.

Sec. 11. [507.325] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]

A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is recorded as to all advances and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.

Sec. 12. [508.555] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]

A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is filed and registered as to all advances and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.

- Sec. 13. Minnesota Statutes 1982, section 297A.01, subdivision 8, is amended to read:
- Subd. 8. "Sales price" means the total consideration valued in money, for a retail sale whether paid in money or otherwise, excluding therefrom any amount allowed as credit for tangible personal property taken in trade for resale, without deduction for the cost of the property sold, cost of materials used, labor or service cost, interest, or discount allowed after the sale is consummated, the cost of transportation incurred prior to the time of sale, any amount for which credit is given to the purchaser by the seller, or any other expense whatsoever. A deduction may be made for charges for services that are part of the sale, including charges up to 15 percent in lieu of tips, if the consideration for such charges is separately stated, but no deduction shall be allowed for charges for services that are part of a sale as defined in subdivision 3, clauses (b) to (f). A deduction may also be made for interest, financing, or carrying charges, charges for labor or services used in installing or applying the property sold or transportation charges if the transportation occurs after the retail sale of the property only if the consideration for such charges is separately stated. There shall not be included in "sales price" cash discounts allowed and taken on sales, the amount refunded either in cash or in credit for property returned by purchasers or the amount of any tax (not including, however, any manufacturers' or importers' excise tax) imposed by the United States upon or with respect to retail sales, whether im-

posed upon the retailer or the consumer. For the purpose of this chapter, the sales price of a manufactured home used for residential purposes shall be 65 percent of the actual sales price.

Sec. 14. Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

- (a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, and food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge. This exemption does not include the following:
 - (i) candy and candy products;
- (ii) carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than non-carbonated and noneffervescent bottled water sold in individual containers of one-half gallon or more in size;
- (b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;
- (c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;
- (d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota by the purchaser and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption for property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or trans-

ported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

- (e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;
- (f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;
- (g) The gross receipts from the sale of clothing and wearing apparel except the following:
- (i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.
- (ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.
- (iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.
- (iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.
- (h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing

(other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

- (i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 297A.14) which is used or consumed in producing any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them. including the sale of advertising. The term "publication" shall not include magazines and periodicals sold over the counter. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;
- (j) The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;
- (k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale. For purposes of this clause, sales by a

nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual;

- (l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to, engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.
- (m) The gross receipts from sales of airflight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.
- (n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.
- (o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.
- (p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private

shareholders. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

- (q) The gross receipts from the sale of caskets and burial vaults;
- (r) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United States in accordance with 38 United States Code, section 1901, as amended.
- (s) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.
- (t) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in title 38 United States Code, chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.
- (u) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.
- (v) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.
- (w) The gross receipt from the sale of residential heating fuels in the following manner:
- (i) all fuel oil, coal, wood, steam, propane gas, and L.P. gas sold to residential customers for residential use:
- (ii) natural gas sold for residential use to customers who are metered and billed as residential users and who use natural gas for their primary source of residential heat, for the billing months of November, December, January,

February, March and April;

- (iii) electricity sold for residential use to customers who are metered and billed as residential users and who use electricity for their primary source of residential heat, for the billing months of November, December, January, February, March and April.
- (x) The gross receipts from the sale or use of tickets or admissions to the premises of or events sponsored by an association, corporation or other group of persons which provides an opportunity for citizens of the state to participate in the creation, performance or appreciation of the arts and which qualifies as a tax-exempt organization within the meaning of Minnesota Statutes 1980, section 290.05, subdivision 1, clause (i).
- (y) The gross receipts from either the sales to or the storage, use or consumption of tangible personal property by an organization of military service veterans or an auxiliary unit of an organization of military service veterans, provided that:
- (i) the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code as amended through December 31, 1982; and
- (ii) the tangible personal property which is sold to or stored, used or consumed by the organization or auxiliary unit is for charitable, civic, educational, or nonprofit uses and not for social, recreational, pleasure or profit uses.
- (z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.
- (aa) The gross receipts from the sales of tangible personal property at, and sales of food, meals, or drinks at fund-raising events sponsored by a non-profit organization when the entire proceeds, except for the necessary expenses connected therewith, will be used solely and exclusively for charitable, religious, or educational purposes. For purposes of this clause, a "nonprofit organization" means any unit of government, corporation, society, association, foundation, or institution organized and operated for charitable, religious, educational, civic, or fraternal purposes, no part of the net earnings of which inures to the benefit of a private individual. Nonprofit organization also includes organizations of military service veterans and auxiliary units of organizations of military service veterans if the organization or auxiliary unit is organized within the state of Minnesota and is exempt from federal taxation pursuant to section 501(c), clause (19), of the Internal Revenue Code of 1954, as amended through December 31, 1983.

If the profits are not used solely and exclusively for charitable, religious, or educational purposes, the entire gross receipts shall be subject to tax.

Each nonprofit organization shall keep a record of its gross receipts and profits from each fund-raising event. The fund-raising receipts shall be segregated from other revenues of the nonprofit organization and placed in a separate account. All deductions from gross receipts shall be documented with receipts and other records. If records are not maintained as required, the entire gross receipts shall be subject to tax.

The exemption provided by this clause does not apply to any event where the event yields a profit to the promoter or to any individual contracted to provide services or equipment, or both, for the event.

Sec. 15. Minnesota Statutes 1983 Supplement, section 297B.03, is amended to read:

297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

- (1) Purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (r).
- (2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.
- (3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.
- (4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.
- (5) Purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota based private or for hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales or motor vehicle excise tax on motor vehicles used in interstate commerce.
 - Sec. 16. Minnesota Statutes 1982, section 341.05, is amended to read:

341.05 [DUTIES.]

Subdivision 1. The board of boxing shall have charge and supervision of all boxing and sparring exhibitions held in the state and have power:

- (1) To promulgate rules governing the conduct of boxing and sparring exhibitions and the time and place thereof;
- (2) To issue licenses to individuals or organizations desiring to promote or conduct boxing or sparring exhibitions, and to suspend or revoke the licenses at its pleasure; every application for a license shall designate the territory in which the individual or organization intends to operate, and the license granted shall entitle the licensee to conduct the exhibitions in that territory and in no other.

The commissioner of revenue shall collect five percent of the gross receipts from admission to every boxing and sparring exhibition other than an amateur boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein.

All complimentary tickets for a boxing and sparring exhibition other than an amateur boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof. All moneys so collected shall be paid into the state treasury.

Subd. 2. The board of boxing shall issue a license to a person or organization holding, showing, or exhibiting a simultaneous telecast of any live, current, or spontaneous boxing or sparring match, exhibition, or performance on a closed circuit telecast or subscription television program viewed within the state, whether originating in this state or elsewhere, and for which a charge is made. Each such person or organization shall apply for such a license in advance of each showing and shall within 24 hours after the termination of such showing furnish the commissioner of revenue a written report, duly verified by an authorized person, showing the number of tickets sold for such showing, the amount of the gross proceeds thereof, and such other matters as the commissioner of revenue may prescribe; and shall also, within 24 hours after the termination of such showing, pay to the commissioner of revenue five percent of the gross receipts from the sale of tickets of admission or moneys received from subscription for the showing or exhibiting of said boxing or sparring match, exhibition, or performance. If the boxing or sparring match, exhibition, or performance is wholly amateur no payment is due.

Whoever violates the provisions of this subdivision is guilty of a misdemeanor and may be punished therefor as provided by law. The penalty herein provided is in addition to any other penalty for violation of this subdivision as may be otherwise fixed in this chapter.

Sec. 17. [APPROPRIATION.]

There is appropriated from the general fund to the finance department for fiscal year 1985 the sum of \$277,000 for the operating expenses of the tax study commission. The approved complement of the tax study commission for fiscal year 1985 is seven.

Sec. 18. [REPEALER.]

Section 2 is repealed October 1, 1984. Minnesota Statutes 1982, section 270.051, is repealed effective July 1, 1984.

Sec. 19. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1985. Section 2 is effective July 1, 1984. Section 13 is effective July 1, 1985. Section 14 is effective July 1, 1984. Section 3 is effective for amounts remitted or transferred to a claimant agency after the date of final enactment of this act. Section 7 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to taxation; repealing the individual income tax surtax; modifying certain income tax deduction provisions; increasing and extending certain property tax credit provisions; providing reduced assessment ratios for certain property; providing for the distribution of certain aids and payments to local governments; authorizing an increased levy limitation for the city of Breezy Point; requiring certain studies; providing and modifying tax benefits and local and state expenditures to assist economic development; adjusting the computation of taxes on taconite and iron ore and au-

thorizing certain refunds and credits; modifying distributions from the proceeds of the taconite tax; increasing the budget reserve account; requiring tax clearance prior to issuance of certain licenses; providing for a tax amnesty; exempting certain items from the sales and motor vehicle excise tax; modifying mortgage registration tax provisions; appropriating funds; amending Minnesota Statutes 1982, sections 270A.03, subdivision 5; 270A.04, subdivision 2; 270A.08, subdivisions 1 and 2; 273.135, subdivision 5; 273.1391, subdivision 4; 287.05, by adding subdivisions; 290A.04, by adding a subdivision; 297A.01, subdivision 8, and by adding subdivisions; 297B.035, subdivision 3; 298.01; 298.02, subdivision 1; 298.09, subdivision 4; 298.225; 298.24, subdivision 1, and by adding a subdivision; 298.40, by adding a subdivision; 299.012, subdivision 1; 341.05; 462.445, subdivision 10; 477A.011, by adding a subdivision; 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 272.02, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6, 7, 9, 17, 17b, and 17c; 273.1312, subdivision 4; 273.1314, subdivision 8; 275.125, subdivisions 11a, 11b, and 12a; 276.04; 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions; 290.089, subdivision 2; 290.09, subdivision 29; 290.21, subdivision 4; 290A.04, subdivisions 2e and 2f; 297A.02, subdivision 2; 297A.14; 297A.25, subdivision 1; 297B.03; 298.28, subdivision 1; 477A.013, subdivisions 1 and 2; 477A.0131, by adding a subdivision; 477A.03, subdivision 2; Laws 1982, chapter 523, article 4, section 2; and Laws 1983, chapter 342, article 1, section 44; proposing new law coded in Minnesota Statutes, chapters 270, 471, 507, and 508; repealing Minnesota Statutes 1982, section 270.051; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; and 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Moe, D. M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1703: A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specicertain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 221.295; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473,445; 473,446, by adding subdivisions; 473,449; Minnesota Statutes 1983 Supplement, sections 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 473.121, subdivisions 9 and 16; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended:

473.451.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

- Section 1. Minnesota Statutes 1982, section 174.22, is amended by adding a subdivision to read:
- Subd. 2a. "Metropolitan area" has the meaning given it in section 473.121.
- Sec. 2. Minnesota Statutes 1982, section 174.22, subdivision 5, is amended to read:
- Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived therefrom and the amount of any social fare reimbursement pursuant to section 174.24, subdivision 4 from the system.
- Sec. 3. Minnesota Statutes 1982, section 174.22, subdivision 10, is amended to read:
- Subd. 10. "Urbanized area service" means a transportation service operating in an urban area of more than 50,000 persons but does not include services operated by the metropolitan transit commission, as defined in subdivision 4, or elderly and handicapped service, as defined in subdivision 13.
- Sec. 4. Minnesota Statutes 1982, section 174.22, subdivision 13, is amended to read:
- Subd. 13. "Elderly and handicapped service" means transportation service provided on a regular basis in urbanized or large urbanized areas, except for metro mobility service established under section 174.31, and designed exclusively or primarily to serve individuals who are elderly or handicapped and unable to use regular means of public transportation.
- Sec. 5. Minnesota Statutes 1982, section 174.23, subdivision 2, is amended to read:
- Subd. 2. [FINANCIAL ASSISTANCE.] The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. Before the commissioner approves any grant, the application for the grant shall be reviewed and approved by the appropriate regional development commission or the metropolitan council only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the

application shall also be reviewed by that commission, authority or political subdivision for consistency with its transit programs, policies and plans. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

- Sec. 6. Minnesota Statutes 1982, section 174.23, subdivision 4, is amended to read:
- Subd. 4. [RESEARCH; EVALUATION.] The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and highoccupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, the metropolitan council, and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.
- Sec. 7. Minnesota Statutes 1982, section 174.24, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit participation program is established to carry out the objectives stated in section 174.21 by providing financial assistance from the state to eligible recipients outside of the metropolitan area.

- Sec. 8. Minnesota Statutes 1982, section 174.24, subdivision 2, is amended to read:
- Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. Eligible recipients must be located outside of the metropolitan area.
- Sec. 9. Minnesota Statutes 1983 Supplement, section 174.24, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section.

The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district, as defined in section 473.446, subdivision 2. The rules are subject to the provisions in the Administrative Procedure Act of sections 14.01 to 14.70. Payments to those private operators shall be based on the uniform performance standards and operating deficit and shall not exceed 100 percent of the operating deficit as determined by the commissioner. Payments shall be based on approved estimates of expenditures during the contract period and shall be subject to audit and adjustment after any payment has been made.

Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: large urbanized area service, urbanized area service. small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification, except as provided in an undue hardship case. The percentages shall be: for large urbanized area service, 55 percent; for urbanized area service and small urban area service, 40 percent; for rural area service, 35 percent; and for elderly and handicapped service, 35 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost.

If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification, provided that no recipient shall have its percentage thus reduced or increased for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commis-

sioner shall reduce the state share in each classification to the extent necessary.

- Sec. 10. Minnesota Statutes 1982, section 174.24, subdivision 5, is amended to read:
- Subd. 5. [METHOD OF PAYMENT.] Payments under this section to recipients other than the metropolitan transit commission and private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be made in the following manner:
 - 50 percent of the total contract amount in the first month of operation;
 - 40 percent of the total contract amount in the seventh month of operation;
 - 9 percent of the total contract amount in the twelfth month of operation; and
 - 1 percent of the total contract amount after the final audit.

The method of payment under this section to private operators within the seven-county metropolitan area whose deficits are funded 100 percent by the state shall be determined by the commissioner.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective July 1, 1985.

ARTICLE 2

Section 1. [221.022] [REGIONAL TRANSIT BOARD; EXCEPTION.]

The powers granted to the board under sections 221.011 to 221.096 do not include the power to regulate any service or vehicles operated by the regional transit board.

- Sec. 2. Minnesota Statutes 1983 Supplement, section 221.041, is amended by adding a subdivision to read:
- Subd. 4. [NONAPPLICABILITY.] This section does not apply to any regular-route passenger transportation being performed under contract with the regional transit board, unless the contract or any renewal thereof was originally entered into under section 174.24.
- Sec. 3. Minnesota Statutes 1983 Supplement, section 221.071, subdivision 1, is amended to read:

Subdivision 1. [CONSIDERATIONS; TEMPORARY CERTIFICATES; AMENDING.] If the board finds from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity require the granting of the petition or a part of the petition, it shall issue a certificate of public convenience and necessity to the petitioner. In determining whether a certificate should be issued, the board shall give primary consideration to the interests of the public that might be affected, to the transportation service being furnished by a railroad which may be affected by the granting of the certificate, and to the effect which the granting of the certificate will have upon other transportation service essential to the communities which might be affected by the granting of the certificate. The board may issue a certificate as applied for or issue it for a part only of the authority sought and may attach to the authority granted terms and conditions as in its judgment public convenience and necessity may require

If the petitioner is seeking authority to operate regular-route transit service wholly within the seven-county metropolitan area under a contract with the regional transit board, the board shall consider only whether the petitioner is fit and able to perform the proposed service, unless the contract or any renewal thereof was originally entered into under section 174.24.

The board may grant a temporary certificate, ex parte, valid for a period not exceeding 180 days, upon a showing that no regular route common carrier or petroleum carrier is then authorized to serve on the route sought, that no other petition is on file with the board covering the route, and that a need for the proposed service exists.

A certificate issued to a regular route common carrier or petroleum carrier may be amended by the board on ex parte petition and payment of a \$25 fee to the commissioner, to grant an additional or alternate route if there is no other means of transportation over the proposed additional route or between its termini, and the proposed additional route does not exceed ten miles in length.

ARTICLE 3

- Section 1. Minnesota Statutes 1982, section 473.121, subdivision 18, is amended to read:
- Subd. 18. "Operator" means any person engaged or seeking to engage in the business of providing *regular route* public transit.
- Sec. 2. Minnesota Statutes 1982, section 473.121, subdivision 19, is amended to read:
- Subd. 19. "Public transit" or "transit" means transportation of passengers for hire within the transit area by means of a motor vehicle or other means of conveyance by any person operating as a common carrier on fixed routes and schedules. "Public transit" shall not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by a common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its employees or customers, or paratransit has the meaning given in section 174.22, subdivision 7.
- Sec. 3. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:
- Subd. 20a. "Regular route transit" has the meaning given in section 174.22, subdivision 8.
- Sec. 4. Minnesota Statutes 1982, section 473.146, subdivision 3, is amended to read:
- Subd. 3. [TRANSPORTATION POLICY PLAN.] The council shall adopt a transportation policy plan as a part of its comprehensive development guide as provided in subdivisions 1 and 2, which shall. The policy plan must include policies, relating to all transportation forms. The plan shall and be designed to promote the legislative determinations, policies, and purposes goals set forth in section 473.402 to the end of providing the transit area an integrated and efficient transportation system. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the transit elements

of the plan must include the following:

- (1) a statement of service objectives, policies, and standards that should govern the distribution and general location of facilities, services, and service areas to be planned, deployed, or developed by or under the direction or auspices of the regional transit board;
- (2) a general statement of timing and priorities in the planning, deployment, and development of services;
- (3) a statement of the policies and standards that should govern the levels of public expenditure, both capital and operating, for various services and service areas:
- (4) a statement of the policies and standards that should govern total annual regional funding levels, the sources of funds, and the distribution of funds among the facilities, services, and service areas; and
- (5) a description of the contents that should be included in the implementation plans prepared by the regional transit board.

In addition to the requirements of subdivisions 1 and 2 regarding the use of the expertise of the metropolitan regional transit emmission board, the state transportation department and affected counties and municipalities may provide such technical assistance as may be requested by the council. The council shall amend its policy plan to conform to the requirements of this subdivision by January 1, 1986.

Sec. 5. Minnesota Statutes 1982, section 473.167, subdivision 1, is amended to read:

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS; COUNCIL APPROVAL.] Before acquiring land for or constructing a controlled access highway in the area, hereinafter a project, the state transportation department or local government unit proposing such the acquisition or construction shall submit to the council a statement describing the proposed project. The statement shall must be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the metropolitan regional transit commission board, which shall review and evaluate the project in relationship to the development program implementation plan and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No such project may be undertaken unless the council determines that it is consistent with the policy plan and development program implementation plan. This approval shall be is in addition to the requirements of any other statute, ordinance or regulation.

ARTICLE 4

Section 1. Minnesota Statutes 1982, section 473.402, is amended to read:

473.402 [POLICY; GOALS.]

Subdivision 1. [POLICY.] The legislature finds and determines that, for the protection and advancement of the public health, safety, and welfare of the metropolitan area and the entire state, and in order to provide for adequate public transit and paratransit within the area to increase vehicle occupancy, and to reduce the use of vehicles occupied by only one person and the congestion,

energy consumption, highway damage, pollution, waste, and other costs associated with such use, there is need for the establishment of the transit area herein defined, for the creation of a metropolitan transit commission therefor with the powers and duties herein prescribed, for the implementation of a comprehensive transportation policy plan for the area and for the other measures herein provided provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for a regional transit board with the powers and duties prescribed by law.

- Subd. 2. [GOALS.] The metropolitan regional transit commission board, in addition to other powers and duties and purposes, shall have the following performance goals:
- (a) To increase the number of persons riding and the rate at which persons are diverted from driving to riding. provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;
- (b) To achieve the fullest and most efficient use of public resources and investments in public transit and paratransit arrange, to the greatest feasible extent, for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;
- (c) To provide, to the greatest feasible extent, increase increased service levels within geographic areas and on routes and route segments characterized by high density of demand for service, transit dependent population, and little or no subsidy per passenger;
- (d) To cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; and
- (e) To maintain public mobility in the event of emergencies or energy shortages.
 - Sec. 2. Minnesota Statutes 1982, section 473.404, is amended to read:

473.404 [METROPOLITAN TRANSIT COMMISSION; CREATION AND COMPOSITION REGIONAL TRANSIT BOARD.]

Subdivision 1. [COMPOSITION.] There is hereby ereated a The metropolitan transit commission for the metropolitan area, is renamed the regional transit board. The transit board is composed of nine 15 members, herein called commissioners or members, which commission. The transit board shall be organized, structured and administered as provided in sections 473.141, except as provided in this section, and 473.401 to 473.451.

- Subd. 2. [APPOINTMENTS.] Before appointing a member, the council shall consult with local elected officials as well as legislators from the district for which the member is to be appointed. The council shall by resolution, after a public hearing on the subject, provide the governor with a list of at least three nominees for the position of chair.
- Subd. 3. [MEMBERSHIP.] One member shall be appointed from each of the following commission districts:
 - (1) Commission district A, consisting of council district 1;
 - (2) Commission district B, consisting of council district 2;

- (3) Commission district C, consisting of council district 3;
- (4) Commission district D, consisting of council district 5;
- (5) Commission district E, consisting of council district 4;
- (6) Commission district F, consisting of council district 6;
- (7) Commission district G, consisting of council district 8;
- (8) Commission district H, consisting of council districts 7 and 9;
- (9) Commission district 1, consisting of council district 10;
- (10) Commission district J, consisting of council district 12:
- (11) Commission district K, consisting of council district 11:
- (12) Commission district L, consisting of council district 15;
- (13) Commission district M, consisting of council district 13 and that part of council district 14 within Carver and Hennepin counties;
- (14) Commission district N, consisting of council district 16 and that part of council district 14 within Dakota and Scott counties.
- Subd. 4. [TERMS.] The terms of members and chairmen are as follows: members representing commission districts B, D, F, H, J, L, and N, and the chairman of each commission, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts A, C, E, G, I, K, and M, for terms ending the first Monday in January of the year ending in the numeral "9". Following each apportionment, the member shall continue to serve at large until the metropolitan council appointed pursuant to section 473.123, subdivision 3a, appoints 14 commission members as provided under subdivision 3, to serve terms as provided under this subdivision.
- Subd. 5. [CHAIR.] The chair of the commission shall devote full time to his duties, which are:
 - (a) to preside over all commission meetings at which he is in attendance;
- (b) to serve as the principal transit spokesman within the metropolitan area before the legislature, other state and regional agencies, local units of government, and the general public;
- (c) to present to the governor and the legislature, after approval by the council, the commission's financial plan for public transit in the metropolitan area;
- (d) to convene and preside at an annual regional transit conference of transit providers, operators, and users; and
 - (e) to perform other duties assigned by law or by the commission.
- Subd. 6. [ORGANIZATION.] The commission shall be organized into an operations division and an administrative and policy division. The head of each division shall report to the chief administrator of the commission.

Sec. 3. [EXPIRATION.]

The metropolitan transit commission shall expire on August 1, 1984.

Sec. 4. Minnesota Statutes 1982, section 473.405, is amended to read:

473.405 [OPERATION POWERS.]

Subdivision 1. [LEGAL STATUS; GENERAL POWERS.] The commission has the powers and duties prescribed by sections 473.401 to 473.449 and all powers necessary or convenient to discharge its duties.

- Subd. 2. [LEGAL STATUS.] (a) The transit area, with the commission as its governing body; shall be is a public corporation and a political subdivision of the state. All the powers vested and obligations or duties imposed upon the commission and acts of the commission by sections 473.401 to 473.451 shall be deemed to be those of the transit area wherever necessary or appropriate, and shall be exercised, performed, and discharged in behalf of the area by the commission in its name as a public corporation and with like force and effect as if done in the name of the area, and for all such purposes, the commission shall have the same status and powers as the area, all subject to the provisions of section 473.449. The chairman and secretary of the commission shall have such powers as are delegated to them by the commission.
- Subd. 3. [PROPERTY.] The commission may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of property, franchises, easements, or property rights or interests of any kind. The commission may acquire by purchase, lease, gift, or condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, the commission may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. The commission may contract with an operator or other persons for the use by the operator or person of any property under the commission's control.
- (b) Subd. 4. [TRANSIT SYSTEMS.] The commission shall have the power to may plan, engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. The commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights of any kind for such purposes, or which may be necessary or proper for the discharge of its powers and duties.
- Subd. 5. [ACQUISITION OF TRANSIT SYSTEMS.] The commission shall have the power to may acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the transit area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission may not acquire any existing public transit system until such the acquisition has been approved by a majority of the metropolitan council. The commission may hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of any of its property or rights to others and may contract with any operator or other persons for the use by any such operator or person of any such property or facilities under its control.

The commission, if it proceeds to acquire any existing public transit system

or any part thereof by condemnation, shall have the power to take control of and operate such a system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines such action this to be necessary. This power shall include the, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Such action shall Control must be taken by resolution which shall be is effective upon service of a copy thereof on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there shall must not be included any value attributable to expenditures for improvements made by the transit commission.

The commission may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the commission has acquired. If the commission determines to terminate such the advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

- Subd. 6. [ACTIONS.] The commission may sue and be sued and may enter into contracts which may be necessary or proper.
- Subd. 7. [CONTRACTS.] The commission may enter into contracts necessary or proper for the exercise of its powers or the accomplishment of its purposes.
- Subd. 8. [CONDEMNATION OF PUBLIC PROPERTY OR PROPERTY OF PUBLIC SERVICE CORPORATIONS.] The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 300.03, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the commission by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the commission by condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the commission than for the existing use.
- Subd. 9. [VOLUNTARY TRANSFER OF PUBLIC PROPERTY TO THE COMMISSION.] Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the commission, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the commission for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the commission, with or without consideration, any existing contract for the construction of the facilities.
- Subd. 10. [GIFTS AND GRANTS.] The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of such the money or property in accordance with the terms of the gift, grant, loan, or

agreement relating thereto. The commission may establish an executive committee, a finance committee, and such other committees of its members as it deems necessary or proper in furtherance of the provisions of sections 473.401 to 473.451, and may authorize them to exercise in the intervals between commission meetings any powers of the commission except those expressly required by law to be exercised by the commission.

Subd. 2 11. [MANAGEMENT CONTRACTS.] Notwithstanding any of the other provisions of sections 473.401 to 473.451, the commission shall have powers may, in lieu of directly operating any public transit system, or any part thereof, to enter into management contracts with any persons, firms, or corporations for the management of said system for such period or periods of time, and under such services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions as shall be deemed advisable and that the commission deems proper by the commission and such persons, firms, or corporations.

Such persons, firms, or corporations entering into management contracts with the commission may employ necessary personnel for the operation and maintenance of said system as well as perform consulting and supervisory services for the commission. An incentive fee may be included in any management contract that is negotiated The commission may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the commission. The commission shall advertise for bids and select contracts for management services through competitive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the commission in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured.

The employees of any public transit system operated pursuant to the provisions of this subdivision shall, in ease of for the purpose of resolving any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, have the right, for the purpose of resolving such dispute, may either to engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Whenever the commission shall directly operate any public transit system, or any part thereof, or enter into any management contract or other arrangement for the operation thereof, the commission shall take such action as may be necessary to extend to employees of affected public transit systems in the area, in accordance with seniority, the first opportunity for reasonably comparable employment in any available non-supervisory jobs in respect to such operations for which they can qualify after a reasonable training period. Such employment shall not result in any worsening of the employee's position in his former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto.

The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any such facilities or other such property acquired from

- (b) contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;
- (c) encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;
- (d) ensure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;
 - (e) encourage shared rides to the greatest extent practicable;
- (f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services; and
- (g) establish criteria to be used in determining individual eligibility for special transportation services.
- Subd. 4. [COORDINATION REQUIREC.] The commission may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commission.
- Subd. 5. [EQUITABLE ALLOCATION AND ANNUAL REALLOCATION.] The commission shall distribute all available funding under this section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.
- Subd. 6. [OPERATING AND SERVICE STANDARDS.] A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 may not be allowed to provide service through the project unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commission and the person denied service describing the corrective measures necessary to qualify for service.
- Subd. 7. [ASSUMPTION OF PROGRAM.] The commission shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the special transportation service project administered by the commissioner under section 174.31. On receiving the certification the commissioner shall transfer to the commission the unexpended balance of the funds appropriated

the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin such the use by the commission. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of such the additional costs. Otherwise the court shall award judgment to the commission. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The commission may also use land within the right of way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions hereinafter stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 8. [473.412] [SPECIAL TRANSPORTATION SERVICE.]

Subdivision 1. [PROJECT OBJECTIVES.] The commission shall implement a project to coordinate special transportation service in the metropolitan area. The project has the following objectives:

- (a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;
- (b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and
- (c) to use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.
- Subd. 2. [FINANCING: IMPLEMENTATION: MANAGEMENT AND ADVISORY GROUPS.] The commission shall contract for services necessary for the project's operation. All transportation service provided through the project must be provided under a contract between the commission and the provider which specifies the service to be provided and the rates for providing it. The commission shall establish a committee to set management policies for the project. The management policy committee must include the chairman of the commission or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee are public and minutes of all meetings must be taken, preserved, and made available for public inspection. The commission shall establish an advisory task force of individuals representing the elderly, handicapped, and other users of service provided by the project to advise the management policy committee.
- Subd. 3. [DUTIES OF COMMISSION.] In implementing the project the commission shall:
- (a) encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

so as to provide, in combination with public highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area, and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the public highways eaused by lack of adequate provisions for public transit. The transit commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission shall have has final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, which the commission requests for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission. No purchase of service agreements may be made under this subdivision which are not included in the budget of the commission.

Subd. 4 2. [STATE HIGHWAYS; JOINT USE FOR TRANSIT AND HIGHWAY PURPOSES.] Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473,401 to 473,451. the transit commission shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests therein required for such joint use in accordance with said the agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.401 to 473.451. Under any such the agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for said the purposes. The commission may not agree to acquisitions or expenditures under this subdivision which are not included in its budget.

Subd. 5 3. [USE OF PUBLIC ROADWAYS AND APPURTENANCES.] The transit commission shall have the right to may use for the purposes of sections 473.401 to 473.451 upon the conditions hereinafter stated in this subdivision any state highway or other public roadway or lane thereof, or any bridge or tunnel or other appurtenance of such a roadway, without payment of any compensation therefor, provided such the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance thereof; provided further, that. The provisions of this subdivision shall do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance shall is not be required, but if such the agency objects to the proposed use or claims reimbursement from the commission for additional cost of maintenance, it may commence an action against the commission in the district court of the county wherein such the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in such the action shall must conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If

amount sufficient to permit the commission to pay all state financial assistance contracted for and shall make no further contracts under section 174.24, subdivision 3, with recipients in the metropolitan area. On receipt of this amount by the commission the contracts so assumed become a responsibility of the commission.

- Subd. 10. [CERTAIN CONTRACTING RESTRICTIONS PROHIB-ITED.] The commission may not enter into any collective bargaining agreement after the effective date of this section that prohibits it from contracting with providers under this section except to the extent the contract would result in the dismissal of commission employees or reduce the total level of service in the metropolitan area provided by the commission.
 - Sec. 7. Minnesota Statutes 1982, section 473.411, is amended to read:
- 473.411 [TRANSPORTATION DEVELOPMENT PROGRAM TRANSIT AND HIGHWAY SYSTEMS.]

Subdivision 1. [DEVELOPMENT PROGRAM.] The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area; the state transportation department and the commissioner of energy, planning and development, and for that purpose may create such advisory committees as may be necessary.

The program shall provide for coordination of routes and operations of all publicly and privately owned transit and paratransit facilities within the transit area to the end that combined efficient and rapid transit and paratransit may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transit or paratransit project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The development program shall include the general alignment and profile, approximate points of access, facility elassification, approximate cost, relation to other existing and planned transit and paratransit routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The development program shall also contain a description of the type of right of way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Subd. 3. [COMBINATION OF PUBLIC TRANSIT AND HIGHWAY SYSTEMS; SERVICES OF DEPARTMENT OF TRANSPORTATION.] The public transit system shall be designed and operated, as far as practicable.

posed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the board and from federal sources;

- (e) the fare structure of the proposed service; and
- (f) projections of usage of the system.

The commission may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.

Subd. 6. [FINANCIAL ASSISTANCE FOR CERTAIN PROVIDERS.] The commission shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under section 174.24, subdivision 3, on the effective date of this section so that the percentage of total operating cost, as defined by the commission, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for the recipient's classification as determined by the commissioner of transportation under his final contract with the recipient. The commission may include funds received under section 473.446, subdivision 1a, as a local source of revenue. The remainder of the total operating cost will be paid by the commission less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the commission in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commission may adjust the percentage as it deems equitable. If for any year the funds available to the commission are insufficient to allow the commission to pay its share of total operating cost for those recipients, the commission shall reduce its share in each classification to the extent necessary.

- Subd. 7. [RTB IMPACT ASSESSMENT.] Prior to entering into a contract for operating assistance with a recipient the commission shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing service provided by the commission. The commission may enter into the contract only if it determines that the service to be assisted under the contract will not cause the dismissal of commission employees, or reduce the total level of service in the metropolitan area provided by the commission.
- Subd. 8. [PARATRANSIT CONTRACTS.] In executing and administering contracts for paratransit projects, the commission has the powers and duties given to the commissioner of transportation in section 174.255, subdivisions 1 and 2, relating to handicapped accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the commission.
- Subd. 9. [ASSUMPTION OF CONTRACTS.] The commission shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for administering contracts made by the commissioner with recipients in the metropolitan area under section 174.24. On receiving the certification the commissioner shall transfer to the commission from funds appropriated to him an

The commission may provide local boards with whatever assistance it deems necessary and appropriate.

Sec. 6. [473.410] [CONTRACTS.]

- Subdivision 1. [CONTRACTS REQUIRED.] The commission shall make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The commission may not give financial assistance to a transit provider without first having executed a contract. The provisions of this section do not apply to contracts made under section 8.
- Subd. 2. [ELIGIBILITY.] To be eligible to receive financial assistance by contract under this section a recipient must be a county or statutory or home rule charter city or town or combination thereof providing financial assistance to or operating public transit, or a private provider of public transit.
- Subd. 3. [APPLICATIONS.] The commission shall establish procedures and standards for review and approval of applications for financial assistance under this section. An applicant must provide the commission with the financial and other information the commission requires to carry out its duties. The commission may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.
- Subd. 4. [TRANSIT STUDY.] The commission shall require that prior to applying for financial assistance by contract a transit provider which is a city or county or combination thereof prepare and submit a transit study which includes the following elements:
- (a) a determination of existing and future transit needs within the area proposed to be served, and an assessment of the adequacy of existing service to meet the needs:
- (b) an assessment of the level and type of service required to meet unmet needs;
- (c) an assessment of existing and future resources available for the financing of transit service; and
- (d) the type or types of any new government arrangements or agreements needed to provide adequate service.

The transit study for the area which the recipient proposes to serve may be done by the commission.

- Subd. 5. [SERVICE PLAN.] The commission shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:
- (a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;
- (b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;
- (c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;
 - (d) a description of the amount required to establish and operate the pro-

be prepared, submitted for review by the council, adopted, and implemented in the same manner, with the same requirements and restrictions, and to the same effect as provided for development programs in section 473.161. The commission shall prepare an implementation plan meeting the requirements of this section and submit the plan to the council by August 1, 1986, and thereafter in even-numbered years at a time prescribed by the council.

- Subd. 2. [CONTENTS.] The implementation plan must contain at least the following elements:
- (a) a development program meeting the requirements of section 473.161, subdivision 1:
- (b) a description of the needs for services, based upon detailed surveys and analysis of service areas and markets identified in the council's policy plan;
- (c) a detailed statement of service objectives, including service areas and markets, changes in existing service, deployment of new service, the distribution of services, and other similar matters;
- (d) a detailed description of services and facilities planned to meet the needs and service objectives, along with a statement of priorities, timing, proposed delivery methods and providers, and performance standards;
- (e) a schedule of expected levels of public expenditure, both capital and operating, for the services and facilities planned;
- (f) a schedule showing the expected sources of funds, including proceeds of bonds of the transit commission, areas and levels of taxes, user charges, and state and federal subsidies; and
- (g) a detailed plan and schedule showing the distribution of funds among various services, service areas and markets, and providers.
- Subd. 3. [INTERIM IMPLEMENTATION PLAN.] The commission shall prepare an interim implementation plan, for calendar years 1985, 1986, and 1987. The commission shall submit the interim plan to the council by December 1, 1984. The interim plan should be in the scope and detail that the commission deems appropriate and practicable, except that the plan must contain a capital development program meeting the requirements of subdivision 2, clause (a), and schedules and plans meeting the requirements of subdivision 2, clauses (e), (f), and (g).
- Subd. 4. [LOCAL PLANNING AND DEVELOPMENT PROGRAM.] In preparing and amending its implementation plan pursuant to subdivision 3, the commission shall establish a program to ensure participation by representatives of local government units. The commission shall encourage the establishment of local transit planning and development boards by local governments for the purpose of:
- (a) assisting and advising the commission in preparing the implementation plan, including the identification of service needs and objectives;
- (b) preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 6;
- (c) preparing or advising the commission in the review of applications for assistance under section 6.

any such system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. Such agreement, specifying the terms and conditions of the protective arrangements, shall comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. Such an agreement may provide for final and binding arbitration of any dispute.

- Subd. 3 12. [RULES AND REGULATIONS.] The commission may prescribe and promulgate rules and regulations as it deems necessary or expedient in furtherance of the purposes of sections 473.401 to 473.451 upon like procedure and with like force and effect as provided for state agencies by sections 14.02, 14.04 to 14.36, 14.38, 14.44 to 14.45, and 14.57 to 14.62, and acts amendatory thereof and supplementary thereto.
- Subd. 13. [RIDESHARING.] The commission shall assume all responsibilities imposed on the commissioner of transportation or the metropolitan council pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area. The commissioner and the council shall cooperate with the commission in the transfer of these duties and in the conduct of ridesharing activities in areas where the commissioner's programs and the commission's program overlap. The commission shall establish a rideshare advisory committee to advise it in carrying out the program.
- Subd. 14. [ASSISTANCE.] The commission shall offer, use, and apply its services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken by contract with the commission, and shall seek out and select recipients of this assistance and advice.
- Subd. 15. [COORDINATION.] The commission shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.
- Subd. 16. [PERFORMANCE STANDARDS.] The commission may establish performance standards for contract recipients unless the contract or any renewal thereof was originally entered into under section 174.24.
- Subd. 17. [REPORT.] The commission shall annually submit a report to the metropolitan council, the governor, and the legislature detailing its activities and finances for the previous year.

Sec. 5. [473.407] [IMPLEMENTATION PLAN.]

Subdivision 1. [REQUIREMENT.] The commission shall adopt a transit service implementation plan describing the planning, functions, and activities to be performed by or under the direction or auspices of the commission in implementing the policy plan adopted by the council pursuant to section 473.146. The plan must cover at least the five-year period commencing with the first calendar year beginning after the plan's approval, or a longer period prescribed by the council.

Except as otherwise provided in this section, the implementation plan must

to him by law for operation of the special transportation service coordination project under Minnesota Statutes 1982, section 174.31, and shall take no further actions under that section. On receipt of this amount the project becomes a responsibility of the commission.

Sec. 9. [473.414] [SUBURBAN SERVICE DEMONSTRATION PROJECT.]

Subdivision 1. [CREATION.] There is created a suburban service demonstration project in Chanhassen, Chaska, Eden Prairie, Prior Lake, Savage, and Shakopee, to test the feasibility of alternative methods of providing transit in less densely populated areas.

- Subd. 2. [BOARD.] The project shall be administered by a board composed of the mayor of each community in the project area, or the mayor's designee.
- Subd. 3. [RTB ASSISTANCE.] The regional transit board shall provide financial assistance to the project in an amount not to exceed the sum of (a) 90 percent of the tax proceeds which accrue to the regional transit board from taxes levied in the communities under section 473.446, subdivision 1, clause (a); and (b) an additional amount bearing an identical proportional relationship to the amount under clause (a) as the total amount of state operating assistance to the commission bears to the total amount of taxes collected by the commission under section 473.446, subdivision 1, clause (a). The commission shall also provide any planning, development, technical, and marketing expertise necessary to implement the project.
- Subd. 4. [BOARD; POWERS AND DUTIES.] The board may contract with providers for the service it decides to implement under this project.
 - Sec. 10. Minnesota Statutes 1982, section 473.435, is amended to read:
- 473.435 [BUDGET PREPARATION; SUBMISSION FINANCIAL PLAN.]

The commission shall prepare, submit, and adopt a budget in the manner provided in, and otherwise comply with, the provisions of sections 174.03 and section 473.163. Along with its annual budget, each year the commission shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the commission's implementation plan and must contain the elements specified in section 5, subdivision 2, clauses (a), (e), (f), and (g). The financial plan prepared in even-numbered years must contain a proposed request for state financial assistance for the succeeding biennium. The commission shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council. The capital budget and financial plan of the commission prepared in 1984 need not be submitted to the council until December 1, 1984, and the council has 30 days for review.

Sec. 11. Minnesota Statutes 1983 Supplement, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, except as otherwise provided in this subdivision the metropolitan

regional transit commission board shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:

- (a) An amount up to two mills times the assessed value of all such property, based upon the level of transit service provided for the property, the proceeds of which shall be used for payment of the expenses of operating transit and paratransit service. The levy must be an amount equal to two mills on property within areas that receive a full range of service; 1.5 mills on property within areas that receive full peak and limited off-peak service; and 1.25 mills on property within areas that receive limited peak service;
- (b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and
- (c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, or other obligations issued or to be issued pursuant to section 473.436 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

For the purposes of this subdivision, "full range of service" means peak period service plus weekday midday service with a frequency of 60 minutes or less on at least one route; "full peak and limited off-peak service" means peak period service plus weekday midday service with a frequency of more than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period service only.

- Sec. 12. Minnesota Statutes 1982, section 473.446, subdivision 1a, is amended to read:
- Subd. 1a. [TAXATION WITHIN TRANSIT AREA.] For the purposes of sections 473.401 to 473.451, and the metropolitan transit system, the metropolitan regional transit emmission board shall levy upon all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district, defined in subdivision 2, a transit tax, which shall be equal to ten percent of the sum of the levies levy provided in subdivision 1, clauses (a) to (c), in areas that receive a full range of service. The proceeds of this tax shall be used only for paratransit services or ride sharing programs designed to serve persons located within the transit area but outside of the transit taxing district.

Sec. 13. [APPLICATION; EFFECTIVE DATE.]

Sections 1 to 12 are effective July 1, 1984, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, except that section 6, subdivision 10, is effective the day after final enactment in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE 5

MISCELLANEOUS PROVISIONS

The commission shall study and report to the legislature by February 1, 1985, on the following issues:

- (1) the advantages and disadvantages of requiring that all contracts for regular route transit services contain provisions for the payment of prevailing wages;
- (2) changes needed in the contract program in order to provide greater incentives for cities and counties and combinations thereof to design and implement service that meets their needs efficiently and effectively;
- (3) development and implementation of programs to improve service in areas that are not adequately served at present, including the suburban service demonstration project; and
- (4) preparing and implementing the implementation plan and financial plan required by law.

Sec. 2. [TRANSITION.]

A demonstration program approved and funded under Minnesota Statutes 1982, section 174.265, prior to January 1, 1984, shall continue to be eligible for funding from the regional transit board, at the election of the municipality participating in the program for the term of the program or any renewal of the program.

Sec. 3. [APPROPRIATIONS; REDUCTIONS AND TRANSFERS.]

Subdivision 1. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 5(e), for fiscal year 1985 for state operating assistance grants is reappropriated to the regional transit board.

- Subd. 2. The general fund appropriation in Laws 1983, chapter 293, section 2, subdivision 6, for fiscal year 1985 for transit administration is reduced by \$29,500 and reappropriated to the regional transit board. The approved general complement of the department of transportation is reduced by one full-time position effective June 30, 1984.
- Subd. 3. The unclassified complement of the regional transit board is hereby reduced to 3 effective August 1, 1984.

Sec. 4. [REPEALER.]

Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.265; 473.411, subdivision 1; 473.413, subdivisions 1 to 6, as amended by Laws 1983, chapter 247, section 160; are repealed effective July 1, 1984. Minnesota Statutes 1982, sections 174.24, subdivisions 3a and 4; and 174.31; are repealed July 1, 1985.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "creating a suburban service demonstration project; providing for tiered property tax levies;"

Page 1, line 12, delete "221.295;"

Page 1, line 13, delete "7, 10, 11," and after "adding" insert "a"

Page 1, line 14, delete the first "subdivisions" and insert "subdivision"

Page 1, line 14, delete everything after the comma and insert "subdivision 3:"

Page 1, line 15, delete "473.168, subdivision 2" and insert "473.402"

Page 1, line 16, delete "473.409;" and delete "473.416;"

Page 1, line 17, delete everything before "473.446" and after "473.446" delete "by" and insert "subdivision 1a;"

Page 1, line 18, delete everything before "Minnesota"

Page 1, line 19, delete "15A.081, subdivision 7;"

Page 1, line 21, after the semicolon, insert "473.446, subdivision 1;"

Page 1, line 24, after "174.31;" insert "473.411, subdivision 1;"

Page 1, delete line 25

Page 1, line 26, delete everything before "473.413" and after "473.413," insert "subdivisions 1 to 6,"

Page 1, lines 26 and 27, delete ";473.451"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mr. Moe, R.D. moved the adoption of the foregoing committee reports. The motion prevailed.

SECOND READING OF SENATE BILLS

S.F. No. 1969 was read the second time.

MEMBERS EXCUSED

Mr. Benson was excused from the Session of today from 12:03 p.m. to 12:28 p.m. and from 1:15 to 1:59 p.m. Ms. Berglin was excused from the Session of today from 12:20 p.m. to 12:40 p.m. Mr. Bertram was excused from the Session of today from 11:00 a.m. to 11:20 a.m. Mr. DeCramer was excused from the Session of today from 2:00 p.m. to 2:45 p.m. Mr. Johnson, D.J. was excused from the Session of today from 12:00 noon to 2:45 p.m. Mr. Nelson was excused from the Session of today from 11:15 a.m. to 12:15 p.m. Mr. Pogemiller was excused from the Session of today from 12:00 noon to 2:00 p.m. Mr. Stumpf was excused from the Session of today from 10:30 a.m. to 11:00 a.m. Mr. Wegscheid was excused from the Session of today from 12:20 p.m. to 1:20 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Thursday, April 12, 1984. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate